

# Bangladesh Bank **Q u a r t e r l y**

October- December, 2019  
Volume XVII, No. 2



Bangladesh Bank Quarterly

Editor: Dr. Md. Habibur Rahman  
Executive Director

Co-Editor: Dr. Md. Ezazul Islam  
General Manager  
Chief Economist's Unit

**Team Members**

Mahmud Salahuddin Naser  
Deputy General Manager

Md. Habibour Rahman  
Deputy General Manager

Mohammed Mahinur Alam  
Deputy General Manager

Syeda Ishrat Jahan  
Joint Director

Khan Md. Saidjada  
Joint Director

Mohammad Mizanur Rahman  
Joint Director

Md. Rashel Hasan  
Joint Director

Raju Ahmed  
Deputy Director

Md. Yousuf  
Assistant Director

Nasrin Akther Lubna  
Assistant Director

Abdullah Al Maruf  
Assistant Director

Povon Chandra Sutradar  
Assistant Director

**Desktop publishing, web-hosting and distribution**  
Systems Manager, Information Systems Development and Support Department  
General Manager, Department of Communication and Publications

---

Bangladesh Bank welcomes suggestions and comments for improvement of the contents and form of the publication. Comments and suggestions may be sent to:  
[ezazul.islam@bb.org.bd](mailto:ezazul.islam@bb.org.bd)

Website: [bb.org.bd](http://bb.org.bd)

## Content

### Economic and Financial Developments

- Executive Summary
- I. Real Economy
- II. Price
- III. Money and Credit Market
- IV. Fiscal Sector
- V. External Sector
- VI. Banking Sector
- VII. Capital Market

### Charts

- I.1 Growth of Real GDP
- I.2 Production of Major Crops
- I.3 Growth Decomposition of Quantum Index of Industrial Production
- I.4 Heat Map for Large and Medium Scale Manufacturing Output Growth
- I.5 Growth of Bank Credit to Trade and Commerce and Transport
- II.1 12-Month Average CPI Inflation
- II.2 Decomposition of Average Inflation
- II.3 Point-to-point CPI Inflation
- II.4 Inflation Heat Map
- II.5 Global Commodity Price Indices
- II.6 Inflation in South Asia
- III.1 Growth of M2, NDA and NFA
- III.2 Growth of Credit to Public and Private Sectors
- III.3 Liquidity as a % of TDTL
- III.4 Movements in Policy and Money Market Rates
- III.5 Interest Rate Spread
- III.6 Interest Rate of Government Securities
- IV.1 Government Revenue
- IV.2 Government Expenditure
- IV.3 Sources of Financing of Budget Deficit
- V.1 Trends in Current Account and Overall Balance
- V.2 Trends in Exports and Imports
- V.3 Decomposition of Export Growth
- V.4 Decomposition of Import Growth
- V.5 International Reserves
- V.6 Effective Exchange Rate Indices
- V.7 Cross-Country Nominal Exchange Rate Indices
- VI.1 Ratio of Gross NPL s to Total Loans
- VI.2 Ratio of Gross NPLs and Net NPLs to Total Loans
- VI.3 Capital to Risk Weighted Asset Ratio (CRAR)
- VI.4 Advance Deposit Ratio
- VI.5 Excess of SLR as % of TDTL
- VII.1 Trends in DSEX Index and Turnover
- VII.2 Synchronization of DSE with Global Market
- VII.3 Heat Map for Sectoral Price Earnings Ratio of DSE
- VII.4 Index of Major Sectors
- VII.5 Selected Countries: Stock Market Capitalization

## Tables

- I.1 Macroeconomic Framework: Key Economic Indicators
- I.2 Real GDP Growth by Sectors
- I.3 Nominal GDP by Sectors
- I.4 Crop-wise Agricultural Production
- I.5 Quantum Index of Medium and Large- scale Manufacturing Industries, Mining and Electricity
- I.6 Quantum Index of Medium and Large- scale Manufacturing Industries by Major Industries
- I.7 Cargo Handled by Chattogram Port
- I.8 Trends in Private Sector Credit
- I.9 Bank Advances (Private Sector) by Economic Purposes
- I.10 Trends in Agricultural Credit
- I.11 Micro-credit Operations of Grameen Bank and Large NGOs
- I.12 Industrial Term Lending by Banks and NBFIs
- II.1 Trends in Inflation
- II.2 International Commodity Prices
- II.3 Inflation in South Asia
- III.1 Movements in Reserve Money
- III.2 Movements in Broad Money
- III.3 Interest Rates Developments
- III.4 Outstanding Stocks of Treasury Bills, Bonds and NSD Certificates
- IV.1 Government Fiscal Operations
- V.1 Balance of Payments
- V.2 Trends in the Commodity Composition of Exports
- V.3 Major Destination-wise RMG Related Exports
- V.4 Export Performance for July-September, FY20
- V.5 Trends in the Commodity Composition of Imports
- V.6 Sector-wise Comparative Statement of the Opening and Settlement of Import LCs
- V.7 Country-wise Workers' Remittances
- V.8 Exchange Rate Movements
- V.9 Trends in Foreign Aid
- VI.1 Gross NPL Ratios by Type of Banks
- VI.2 Net NPL Ratios by Type of Banks
- VI.3 Capital to Risk Weighted Asset Ratios by Type of Banks
- VI.4 Profitability Ratios by Type of Banks
- VII.1 Indicators of Capital Market Developments
- VII.2 Group-wise Market Capitalization of Dhaka Stock Exchange

## Annexure

Chronology of Major Policy Announcements: October-December, 2019

# **Economic and Financial Developments**

## *Executive Summary*

*In H1FY20, the pace of economic activities continued its normal trend due to strong domestic demand in Q1 and Q2 of FY20. Strong remittance inflows (35.3 percent growth) and higher government investment supported domestic demand during Q2FY20, while decelerated private credit growth and weak external demand suggested some moderation. Credit growth in the service-related sectors and the pick-up in inland seasonal travel and tourism suggested a fair performance in the service sector. The growth in the industry sector was moderated as reflected in the large and medium scale manufacturing output growth. The agriculture sector remained vibrant, supported by favorable agricultural commodity prices and timely availability of inputs and finance.*

*Point-to-point CPI inflation, which had been hovering around 5.50 percent on average for more than a year, edged up to 5.75 percent in December 2019, driven mainly by food prices. Elevated price of some non-cereal food items contributed to soaring food inflation to 5.88 percent in December 2019 from 5.30 percent in September 2019, while non-food inflation waned to 5.55 percent from 5.92 percent. During this period, 12-month average headline CPI inflation also crept up to 5.59 percent in December 2019 from 5.49 in September 2019.*

*The balance of payment witnessed a surplus of USD 231 million in Q2FY20, contributed by a decline in current account deficit to USD 582 million on the back of hefty remittance inflows along with a higher inflow in FDI coupled with somewhat healthy inflows of medium and long-term loans. However, deficit in trade balance widened to USD 4454 million during this period, amid a decline in exports and imports by 8.9 percent and 2.9 percent respectively.*

*A surge in government borrowings pushed broad money (M2) growth to 12.0 percent (y/y) in Q2FY20, keeping above the target of 11.3 percent for the first half of FY20, while private credit growth continued moderating. The deceleration in private credit was caused partly by the slowdown of import demand ensued from weak export demand on the back of ongoing trade tension and global economic slackness, and partly by the wait-and-see mode of investors and traders in demanding fresh credit ahead of the execution of government's interest rate cap.*

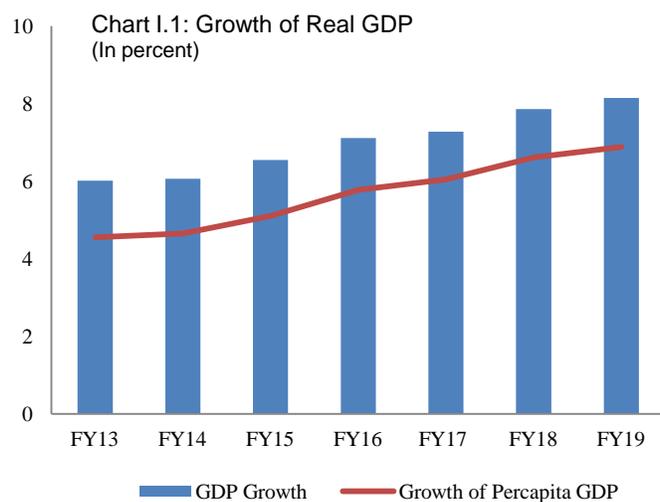
*Weak private credit demand along with strong deposit growth (12.0 percent) favored by the buoyant remittance inflows led to an increase in liquidity in the banking system. Consequently, interbank money market rates and interest rates on various government securities eased somewhat in Q2FY20. Gross non-performing loans (NPL) in the banking system significantly dropped to 9.3 percent in Q2FY20 from 12.0 percent in Q1FY20, mainly because of loan rescheduling and one-time exit policy for bad loans.*

*Overall fiscal deficit remained at a moderate level during Q2FY20 led by modest growth in expenditure and higher revenue collection. More than 60 percent of deficit financing was met from the domestic sources led by banks and the rest came from foreign sources during Q2FY20 as well as H1FY20.*

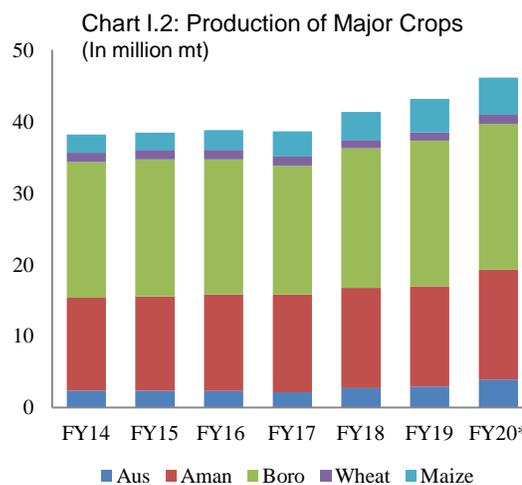
*Looking ahead, domestic economic activities will remain buoyant due to strong remittance inflow despite the slowdown in export and import growth. But, sliding global economic growth due to disruption in global supply chain stemmed from covid-19 (coronavirus) is likely to dampen the growth outlook in FY20. Stimulus packages combined with monetary and fiscal policies are required to avoid downside risk of growth outlook.*

## 1.1 Real Economy

1.1 During Q2FY20, economic activities remained at a moderate level. Supply-side related indicators witnessed a slower pace, reflected in sliding industrial output growth caused mostly by slowdown in large and medium scale manufacturing output. On the other hand, the service sector suggested a fair performance as indicated by a considerable growth in bank credit to trade and commerce together with cargo handled through the ports. The agriculture sector also showed better performance during this period induced by favorable agricultural commodity prices and six-quarter high credit growth. On the demand side, strong growth in remittance inflows and higher government spending supported domestic demand, whereas, moderate private credit growth and weak exports indicated some slackness in the economy.



Source: BB staff's calculation based on BBS data



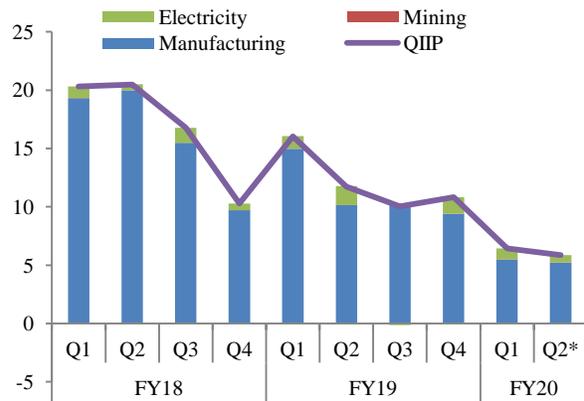
\* Target set by DAE, *Aus* indicates actual production for FY20

Source: Department of Agriculture Extension

1.2 Agricultural activities remained vibrant in Q2FY20, aided by benign weather condition, strong agricultural credit growth (9.7 percent), and timely availability of inputs. Although finalized data is yet to become available, provisional estimates show that the *aman* rice crop production might be higher than the target. The Department of Agriculture Extension (DAE) suggested higher-than-targeted acreage and this information is also reflected in the media reports. In addition, the *aus* crop registered 5.8 percent growth. Aided by favorable market prices, wheat and vegetable production were also in line with their respective targets.

1.3 The growth momentum in the industry sector appeared to be moderate in Q2FY20, as the growth in the large scale manufacturing production continued decelerating. Available data for October 2019 shows that the large and medium scale manufacturing output growth further dropped to 5.7 percent. This deceleration was caused mainly by the negative growth of the manufacturing of wearing apparel (-18.9 percent) ,with more than one-third share in the medium and large scale industrial production, followed by manufacturing of chemical and chemical products (-17.2 percent), and motor vehicles and trailers (-55.6 percent). However, manufacturing of textile, food products, pharmaceuticals and medicinal chemical and non-metallic mineral products grew by 16.0 percent, 14.6 percent, 94.1 percent, and 17.1 percent, respectively. The muted performance of the industry sector also reflected in slower growth of credit to industry sector (13.1 percent growth) and credit to construction activities (4.1 percent growth). However, cement production grew by 19.0 percent in October 2019 compared to the same month of the previous year.

Chart 1.3: Growth Decomposition of Quantum Index of Industrial Production (Percent)



\* Based on October 2019

Source: BB Staff's calculation based on BBS data

Chart I.4: Heat Map for Large and Medium Scale Manufacturing Output Growth  
(In percent)

	Weight	FY18				FY19				FY20
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
General Index of Manufacturing	100	21.8	16.8	10.6	16.5	13.4	11.0	10.2	6.0	5.7
Food products	10.8	55	31	21	4	7	9	15	17	15
Beverage	0.3	-13	-9	-16	4	-16	3	54	5	45
Tobacco product	2.9	39	30	-2	0	-28	-26	0	5	4
Textile	14.1	13	14	6	2	-2	2	7	16	16
Wearing apparel	34.8	13	17	12	19	20	12	7	-1	-19
Leather and related product	4.4	71	45	24	19	40	14	6	2	4
Wood and product of wood and cork	0.3	4	4	4	4	5	6	7	7	8
Paper and paper products	0.3	1	1	1	1	1	1	1	1	2
Printing and recorded media	1.8	4	3	7	9	9	12	11	11	11
Coke and refined petroleum product	1.3	-40	-40	-36	0	-2	-1	-1	5	-14
Chemical and chemical product	3.7	5	-13	-17	41	27	34	29	-27	-17
Pharmaceuticals products	8.2	34	22	6	38	17	27	26	12	94
Rubber and plastic products	1.6	20	16	16	12	6	6	6	6	6
Non-metallic mineral product	7.1	15	2	6	21	10	10	12	11	17
Basic metal	3.2	14	6	5	4	1	-1	-1	1	1
Fabricated metal product	2.3	18	7	4	10	7	6	6	2	4
Computer and electronic products	0.2	-37	-42	-10	3	36	72	44	93	73
Electrical equipments	0.7	-16	-11	-5	-37	20	-11	34	-1	-7
Machinery and equipments	0.2	43	27	29	19	18	11	19	25	21
Motor vehicles and trailers	0.1	-59	-27	6	237	215	119	-38	-36	-56
Transport equipment	0.7	12	-1	6	-1	-5	-2	1	11	7
Furniture	0.9	32	19	23	15	0	6	0	1	-7

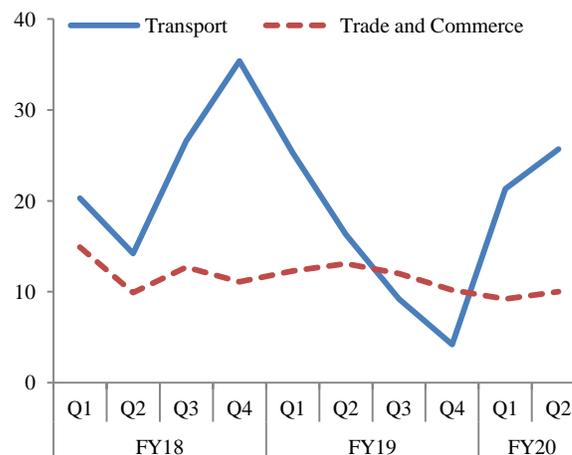


\*Based on October 2019

Source: BB staff's calculation based on BBS data

1.4 Supported by the strong growth in the agriculture sector and political stability, the service sector activities remained firm, reflected in various proxy indicators such as growth in cargo volume, trade financing, credit to transport and communication. The volume of cargo handled through the Chattogram port increased to 13.2 percent in Q2FY20 from 4.8 percent in the same quarter of the previous year. Bank credit to transport sharply increased to 25.7 percent, while bank credit to trade and commerce increased by 10.0 percent during this period. In addition, the pick-up in domestic seasonal travel and tourism also favored fair performance in the service sector activities.

Chart I.5: Growth of Bank Credit to Trade and Commerce and Transport (In percent)

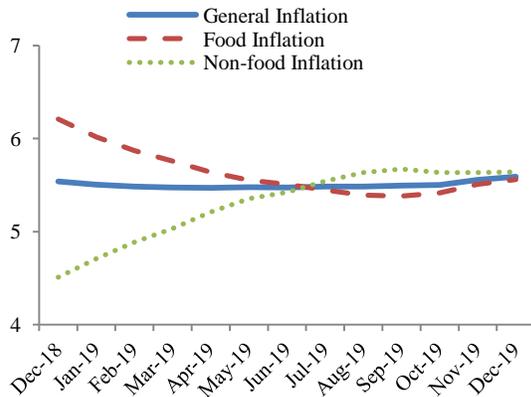


Source: Statistics Department, Bangladesh Bank.

## II. Price

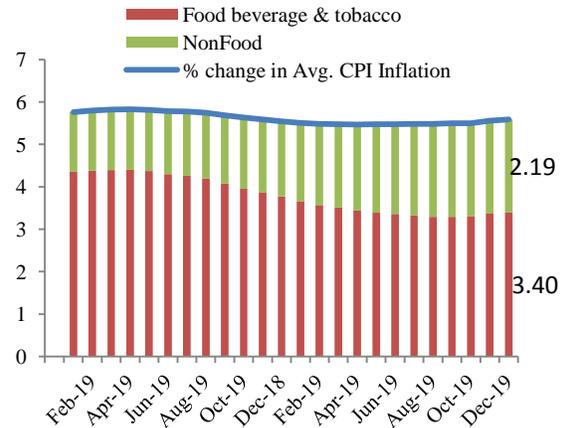
2.1 Headline CPI inflation that hovered around 5.50 percent on average for more than a year edged up in Q2FY20. During Q2FY20, 12-month average CPI inflation crept up to 5.59 percent in December 2019 from 5.49 percent in September 2019, driven by food inflation of 5.56 percent at the end of December 2019, rising up from 5.38 percent in September 2019, while non-food inflation moderated to 5.64 percent from 5.67 percent during the same period (Chart II.1).

Chart II.1: 12-month Average CPI Inflation (In percent)



Source: BB staffs calculation based on BBS data

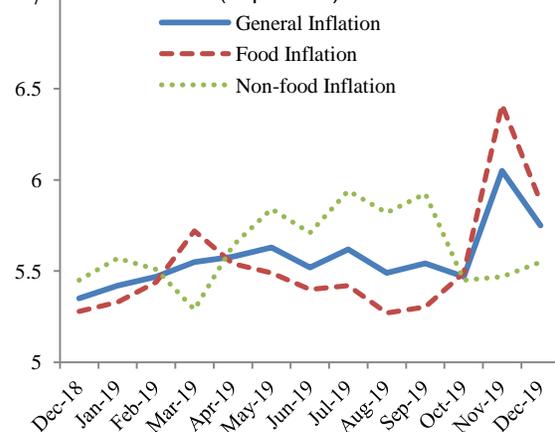
Chart II.2: Decomposition of Average Inflation



Source: Bangladesh Bureau of Statistics

Headline CPI inflation (point-to-point) climbed to 5.75 percent in December 2019 from 5.54 percent in September 2019, driven mainly by food price inflation. Food inflation picked up to 5.88 percent in December 2019 from 5.30 percent in September 2019 driven by a sharp rise in several non-cereal food items, while non-food inflation edged down to 5.55 percent in December 2019 from 5.92 percent in September 2019, favored by a small rise in recreation and educational costs. However, food inflation exerted considerable volatility within the quarter by soaring to 6.41 percent in November 2019, before softening somewhat to 5.88 percent in December 2019 (Chart II.3).

Chart II. 3: Point -to- Point CPI Inflation (In percent)



Source: Bangladesh Bureau of Statistics

Chart II.4: Inflation Heat Map  
(In percent)

	WEIGHT	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
<b>General</b>	100.00	5.35	5.42	5.47	5.55	5.58	5.63	5.52	5.62	5.49	5.54	5.47	6.05	5.75
<b>Food, Beverage and Tobacco</b>	56.18	5.28	5.33	5.45	5.72	5.54	5.49	5.40	5.42	5.27	5.31	5.49	6.41	5.88
<b>I. Food</b>	52.17	3.99	4.11	5.22	5.78	5.58	5.19	5.05	5.09	4.77	4.88	5.09	6.83	6.23
(a) Cereals	21.62	-2.81	0.73	-1.49	-3.71	-5.09	-1.32	5.52	-2.06	-2.97	-4.33	-4.95	-0.57	3.56
(i) Rice	20.31	-3.24	0.52	-1.83	-4.14	-5.65	-1.76	5.53	-2.53	-3.46	-4.83	-5.52	-0.85	3.48
(ii) Other Cereals	1.30	4.63	4.62	4.67	4.24	5.32	0.11	5.45	5.62	5.35	4.24	4.72	3.95	4.82
(b) Pulses:	1.51	6.5	7.8	4.2	4.0	-5.2	-9.9	-8.7	-8.6	-8.4	-11.3	-0.8	5.4	15.1
(c) Fish (fresh) & dry fish	6.98	26.6	27.1	24.9	23.3	20.9	35.0	14.5	14.7	13.0	12.6	11.5	-8.9	-7.5
(d) Eggs and Meat	4.94	3.7	3.1	4.4	5.9	6.3	5.8	5.6	3.7	3.1	5.8	6.0	3.8	4.0
(e) Vegetable	4.78	10.9	-2.5	14.1	23.9	31.9	17.0	-6.4	12.4	14.4	10.4	6.4	9.8	11.2
(f) Fruits	1.85	20.8	18.8	14.7	15.2	14.6	16.8	8.8	7.8	17.7	15.7	14.6	10.9	9.7
(g) Spices	4.29	-15.4	-14.2	-8.2	-1.3	-0.8	-2.3	0.5	9.6	6.5	16.0	25.7	63.6	36.9
(h) Edible oils & fats	1.93	3.0	4.2	4.1	3.6	3.5	3.6	4.3	4.2	4.2	4.1	3.9	3.2	3.1
(i) Milk and milk products	2.05	3.0	3.0	3.0	2.9	2.9	4.5	4.4	7.5	8.5	7.2	7.0	7.2	7.2
(j) Miscellaneous food items	2.24	8.1	8.2	8.8	8.1	8.2	8.6	9.0	9.2	11.0	12.4	11.7	10.2	7.0
<b>2. Beverage</b>	1.34	0.3	0.6	0.6	0.6	0.6	0.6	0.3	2.4	2.6	2.6	2.6	2.3	2.3
<b>3. Tobacco &amp; Products</b>	2.67	21.3	20.6	8.8	6.1	6.1	9.5	9.9	9.3	11.0	10.1	10.0	2.9	3.0
<b>Non-food</b>	43.82	5.4	5.6	5.5	5.3	5.6	5.8	5.7	5.9	5.8	5.9	5.4	5.5	5.5
I. Clothing and Footwear	6.84	10.4	6.9	6.8	6.7	8.1	9.6	5.9	6.1	5.7	5.6	5.0	4.9	4.9
II. Rent, Fuel & Lighting	14.88	2.6	4.5	4.5	4.5	4.5	4.2	4.8	6.1	6.1	5.7	5.6	5.6	5.4
III. Household Furniture, operations and repairing	4.73	6.4	6.1	6.1	5.3	5.3	5.1	7.7	7.7	7.2	6.9	5.7	5.9	6.6
IV. Medical Care & Health Expenses	3.47	3.0	3.3	3.1	2.7	2.7	2.4	2.9	2.9	4.1	5.8	5.7	5.7	5.8
V. Transport and Communication	5.80	7.9	8.1	7.7	7.7	8.0	8.7	7.5	7.4	6.4	6.5	5.7	5.7	5.6
VI. Recreation & Educational Expenses	4.28	0.9	2.2	2.1	2.1	2.3	2.2	2.2	2.2	2.2	2.3	2.4	2.4	2.4
VII. Miscellaneous Goods & Services	3.82	6.6	7.1	7.4	6.6	7.2	6.5	8.3	6.3	7.1	8.6	7.5	7.8	8.4

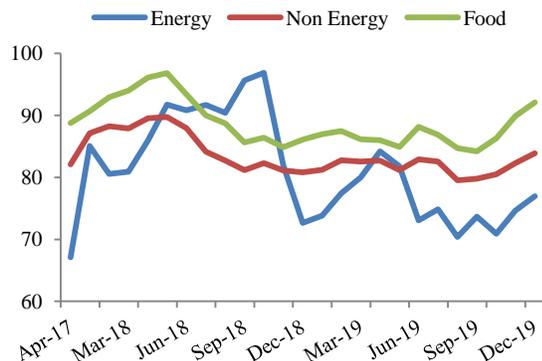


Source: BB staff's calculation based on BBS data

2.2 A surge in the price of some non-cereal food items, such as vegetables, fruits, and spices particularly onion contributed to the increase in food inflation in Q2FY20 (Chart II.4). In the face of poor harvest, a sudden ban on onion export by India in September 2019 caused serious supply disruption of onion in Bangladesh, which led to a sharp rise in onion price in the country. Onion price per kilogram soared to 213.00 BDT in November 2019 from 48.00 BDT in August 2019 and down to 122.00 in December 2019 with the wake of domestic harvest. The high price of onion led to a change in the terms of trades within the agricultural sector, which might have an impact on the composition of crop cultivation in rural areas.

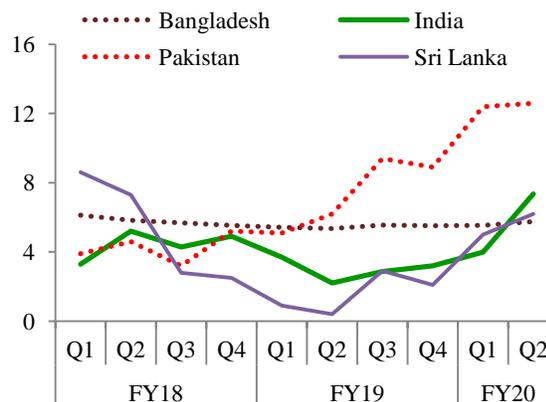
2.3 Commodity prices in the global market also exerted a broad-based upward nudge in Q2FY20. Energy price, led by oil price, rose by almost 5.0 percent in December 2019 compared to September 2019 mostly because of supply cut by OPEC. Non-energy prices inched up in response to trade tensions and accommodative monetary policy of advanced economies (Chart II.5). Also, global food prices increased more than 9.0 percent in the last month of Q2FY20 compared to that of Q1FY20.

Chart II. 5 Global Commodity Price Indices (2010 = 100)



Source: World Bank

Chart II.6: Inflation in South Asia (In Percent)



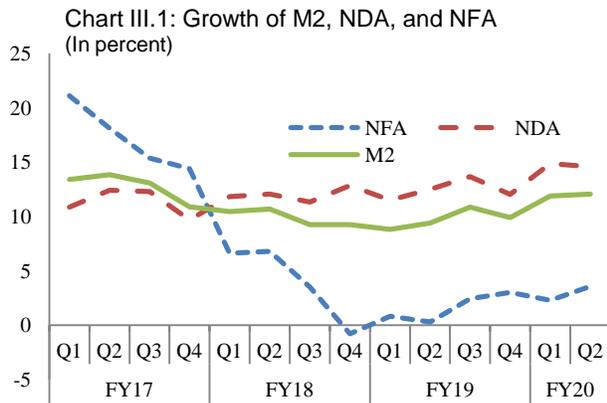
Sources: Central Banks and Statistics Department of respective countries

2.4 Inflation in selected South Asian countries followed an upward trend in Q2FY20. Inflation in India sharply increased to 7.4 percent in Q2FY20 from 4.0 percent in Q1FY20 after remaining stable for almost 22 months. Inflation in Pakistan and Sri Lanka increased to 12.6 percent and 6.2 percent in the second quarter of FY20 from 12.4 percent and 5.0 percent respectively in the first quarter of FY20 (Chart II.6).

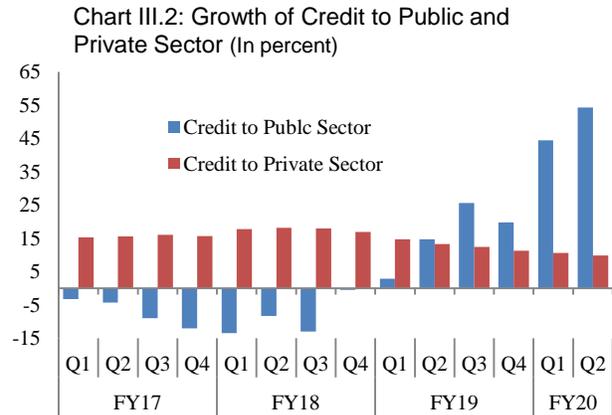
2.5 Looking ahead, headline inflation is likely to face upside risks in the near term. This may arise from a set of domestic and global sources such as food inflation in domestic commodity market along with knock-on effect of India's inflationary pressure, which might result in some second-round effects. In addition, with increasing trade integration with China, a recent breakdown of 'coronavirus' in China might pose upward risks in the near term inflation outlook due to disruption of the supply chain of essential items.

### III. Money and Credit Market

3.1 A surge in government borrowings pushed broad money (M2) growth to 12.0 percent(y/y) in Q2FY20, keeping above the target of 11.3 percent for the first half of FY20, while private credit growth continued to moderate. Weak private credit demand along with a rise in deposit growth favored by the hefty remittance inflows helped increase liquidity in the banking system. Consequently, interbank money market rates and interest rates on various government securities eased to some extent, despite the acceleration of government borrowings from banks during this period.



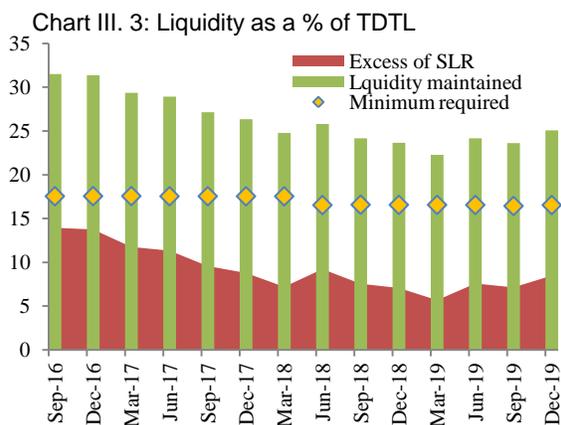
Source: Bangladesh Bank



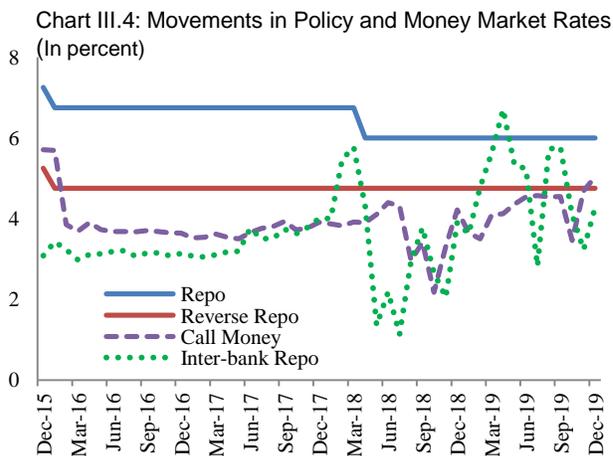
Source: Bangladesh Bank

3.2 Government borrowings from the banking system rose by 54.3 percent in Q2FY20 due mainly to increasing dependency on banks for deficit financing in the face of lower-than-targeted growth of governments revenue. Consequently, M2 growth picked up to 12.0 percent, staying slightly above the target of 11.3 percent for the H1FY20, while private credit growth further moderated to 9.8 percent. The deceleration in private credit was caused partly by the slowdown of import demand induced by the weak export demand on the back of ongoing trade tension and global economic slackness, and partly by the wait-and-see attitude of investors and traders regarding fresh credit demand ahead of the execution of government's interest rate ceilings. During this period, net foreign asset (NFA) growth increased to 3.6 percent, as the balance of payment registered a surplus of USD 231 million by the moderation of current account deficit and a rise in financial account surplus. On the other hand, reserve money growth declined to 6.9 in percent Q2FY20 as government borrowings from the central bank dropped to 63.4 percent during this period.

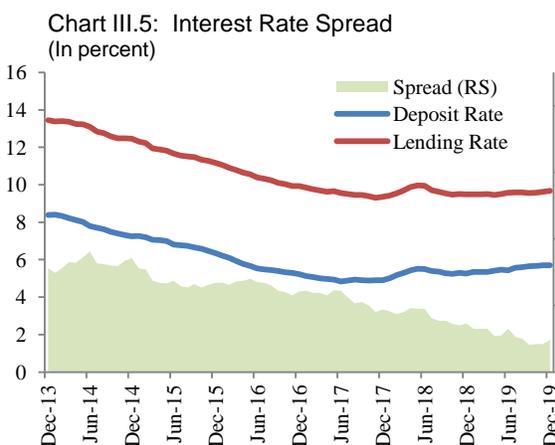
3.3 Firm remittance inflows with the support of government's cash incentives helped bank deposits grow by 12.6 percent in Q2FY2020 compared to 11.9 percent in Q1FY20, which in turn contributed to increasing banks' liquidity in the presence of weak private credit demand. The ratio of liquid asset excess of SLR to total demand and time liabilities (TDTL) increased to 8.5 percent in December 2019 from 7.2 in September 2019(Chart III.3), despite strong government borrowings from the banking system. Consequently, the interest rate in the call money market and interbank repo rate dropped to 4.50 percent and 4.28 percent in December 2019 from 5.04 percent and 5.78 percent in September 2019, respectively. However, the retail market rates yet to follow the interbank rates; instead, they exerted upward nudge at a divergent speed. The weighted-average interest rate on deposit moved slightly up to 5.70 percent in December 2019 from 5.65 percent in September 2019, while weighted-average lending rate climbed a bit faster to 9.68 percent from 9.56 percent at the same time. The faster rise of lending rates pushed interest rate spread slightly up to 3.98 percent from 3.91 percent.



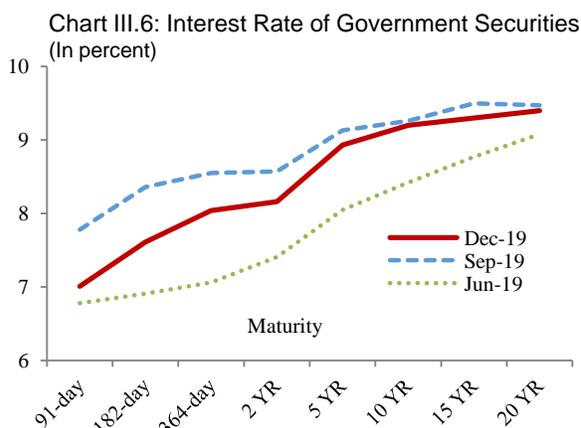
Source: Bangladesh Bank



Source: Bangladesh Bank



Source: Bangladesh Bank

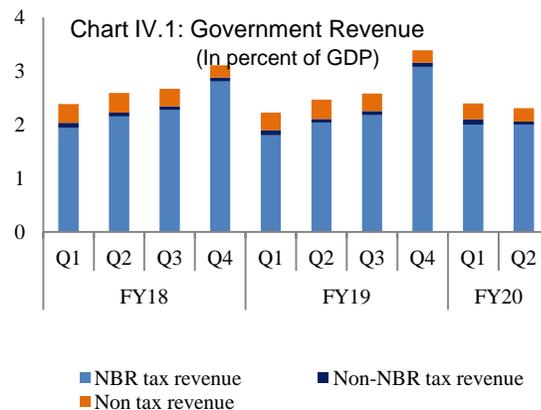


Source: Bangladesh Bank

3.4 Notwithstanding a strong growth in government borrowings, improvement in the liquidity condition in the banking system led to a decrease in the interest rates on treasury bills (T-bill) and bonds of different maturities. The interest rates on 91-day, 182-day, and 364-day T-bill dropped significantly to 7.01, 7.61, and 8.04 percent in December 2019 from 7.78, 8.36, and 8.55 percent in September 2019, respectively (Chart III.6).

#### IV. Fiscal Sector

4.1 The fiscal sector witnessed a modest improvement during Q2FY20, as reflected in the revenue collection, expenditure along with the annual development program (ADP) spending, and fiscal deficit financing. Overall fiscal deficit remained at a moderate level during this quarter led by modest growth in



Sources: National Board of Revenue; Office of the Controller General of Accounts

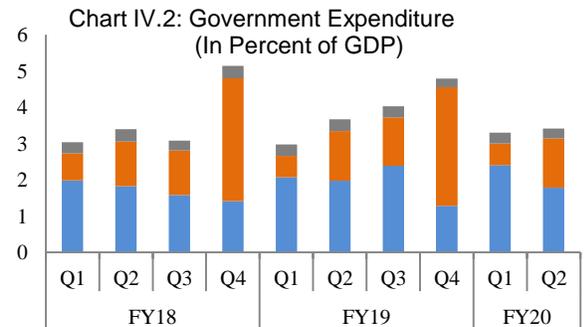
expenditure and higher revenue collection. More than 60 percent of deficit financing was met from the domestic sources led by bank and the rest came from foreign sources during Q2FY20 as well as H1FY20.

4.2 Total revenue collection posted a healthy increase of 12.9 percent (amounting to BDT 677.2 billion) in Q2FY20 against the 5.5 percent growth observed in Q2FY19. In Q2FY19, NBR tax revenue collection rose by 13.5 percent to BDT 588.1 billion from Q2FY19. The VAT (11.1 percent), Customs duties (15.1 percent) and income tax (15.4 percent) were the main drivers of NBR revenue collection. Total revenue collection during H1FY20 amounted to BDT 1,225.3 billion which met only 32.4 percent of annual budget target (BDT 3,778.1 billion) for FY20.

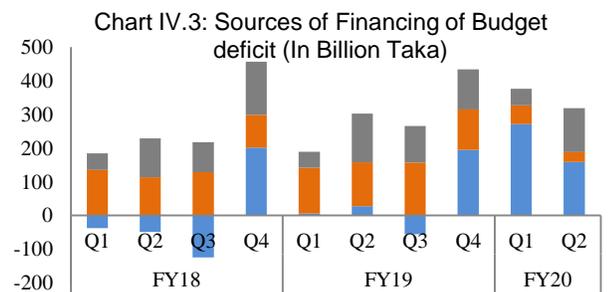
4.3 The consolidated fiscal expenditure expanded with modest growth in ADP expenditure and current expenditure in Q2FY20 (Chart IV.2). Total expenditure amounted to BDT 995.1 billion (3.4 percent of GDP) in Q2FY20. Of the total expenditure, current spending rose by 8.6 percent to BDT 523.5 billion and ADP expenditure grew by 13.4 percent to BDT 393.7 billion. During H1FY20, total fiscal expenditure stood at BDT 1,919.9 billion which was about 36.7 percent of the annual budget target of BDT 5,231.9 billion for FY20.

4.4 The fiscal deficit remained at a moderate level owing to slower growth in expenditure and higher revenue collection in Q2FY20. The deficit reached BDT 317.8 billion Q2FY20, up 4.9 percent from Q2FY19. In H1FY20, budget deficit reached at BDT 694.5 billion which covered about 47.8 percent of projected deficits of BDT 1,453.8 billion in budget FY20.

4.5 In Q2FY20, the total deficit financing BDT 187.7 billion was met from domestic sources which is BDT 158.2 billion came from banking sources while non-bank financing declined by 77.6 percent to BDT 29.5 billion. The foreign financing amounted to BDT 130.2 billion which was 10.0 percent lower than that in Q2FY19. In H1FY20, deficit financing from banking system rose to BDT 429.4 billion compared to BDT 31.7 billion in H1FY19.



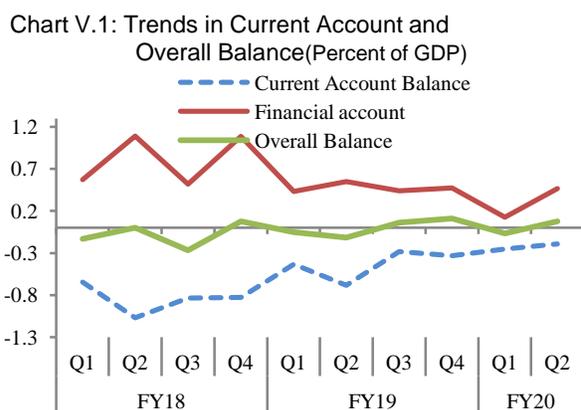
Sources: Ministry of Finance; Ministry of Planning; Bangladesh Bank



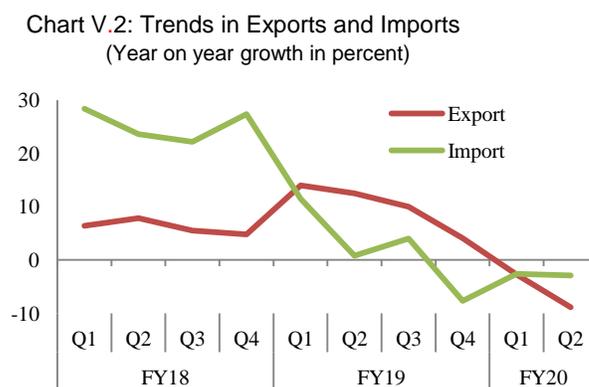
Sources: Ministry of Finance; Bangladesh Bank

## V. External Sector

5.1 Improvement in current account deficit and higher inflows in the capital and financial accounts brought the overall balance of payments was back to its positive trajectory with a small surplus in Q2FY20 after a deficit in Q1FY20, (Chart V.1). The current account deficit decreased to USD -582 million (0.19 percent of GDP) in Q2FY20, reaching the minimum deficit in the last 10 quarters, as compared to USD -2072 million (0.68 percent of GDP) in Q2FY19 due mainly to robust growth in remittance inflows with a narrowing primary income account deficit. The first H1 FY20, overall balance reached USD 27 million from USD -513 million in H1FY19.



Source: Bangladesh Bank

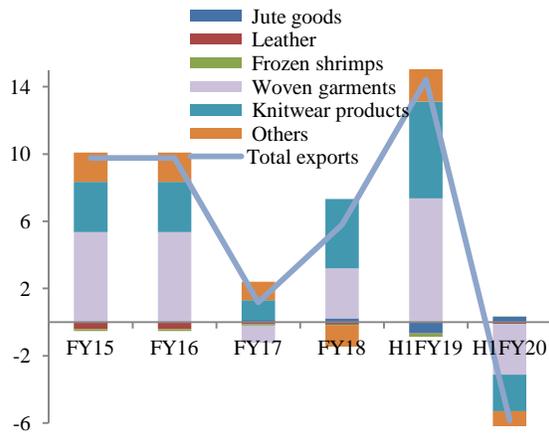


Sources: Export Promotion Bureau; Bangladesh Bank

5.2 The trade gap widened in Q2FY20 as compared to that in Q1FY20 owing to a greater fall in export growth compared to import growth. Import growth continued its negative trends for the last three quarters. The negative import growth was ascribable mainly to decline in imports of consumer & intermediate goods and capital goods. Moreover, shrinking export earnings from export of registered a negative export growth of 8.9 percent during Q2FY20 as compared to the same quarter of the previous year. (Chart V.3). The decline in RMG related exports is mainly attributable to a 40 percent decrease in RMG export to China during the quarter under review.

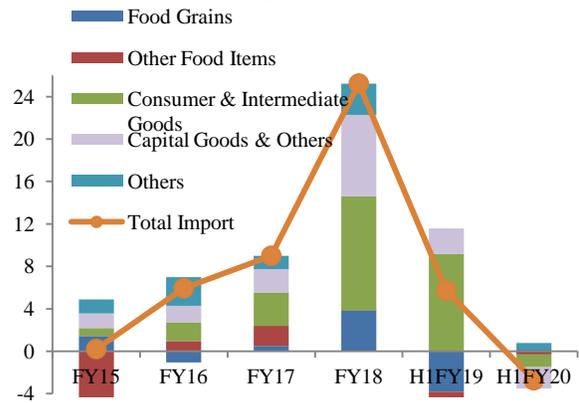
5.3 Following the various favorable policies taken by the government for manpower export including incentives for inward remittances, remittance inflows constituted a record growth of 35.3 percent, the highest in the last 10 years, in Q2FY20 as compared to 0.60 percent in Q2FY19. Of the remittance inflows during this quarter, the Gulf region contributed 56.8 percent of total remittance inflows supported by the highest remittance inflows from Saudi Arabia (20.6 percent). The growth of remittance inflows from Euro Region was 57 percent with the UK posting the highest remittance growth at 60 percent during Q2FY20.

Chart V. 3: Decomposition of Export Growth



Source: Bangladesh Bank

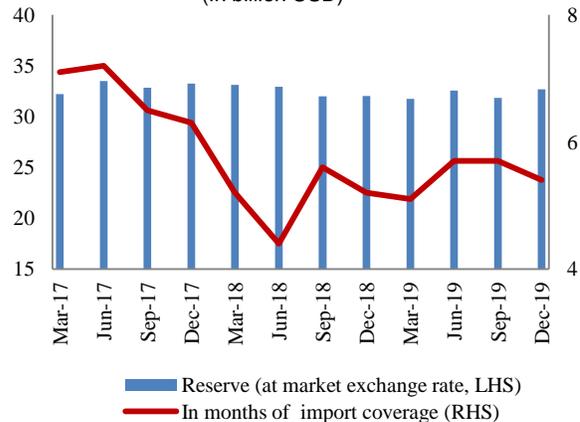
Chart V. 4: Decomposition of Import Growth



Source: Bangladesh Bank

5.4 Inflow in capital and financial account sharply increased in Q2FY20 compared to those in Q1FY20. As a dominant source of financial inflows, FDI inflows rose by 1.92 percent to USD1640 million in Q2FY20 from the level of Q2FY19. Having the largest share in financial inflows, external borrowings including medium and long term loan declined by 8.0 percent in Q2FY20 as compared to the same quarter of previous year. In the same line, net external financing declined by 8.3 percent in Q2FY20 because of higher loan payment by 15.63 percent along with lower external debt as compared to that in Q2FY19. Thus, total aid including grants and loans contracted by 5.6 percent during Q2FY20, although foreign grants went up by 33.45 percent.

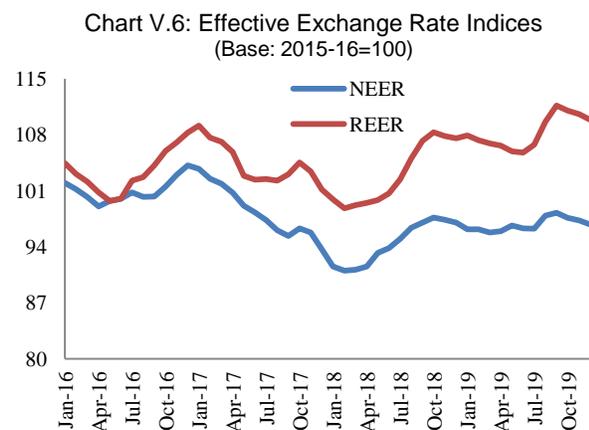
Chart V.5 : International Reserves (In billion USD)



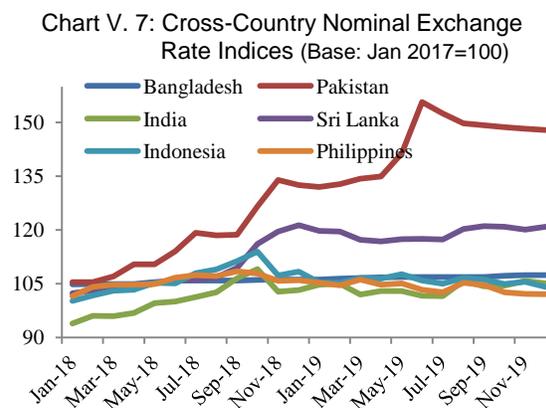
Source: Bangladesh Bank

5.5 Continuous deficits in current account exerted upward pressures on the foreign exchange rate (BDT in terms of USD) during Q2FY20 and consequently, the nominal exchange rate depreciated by 1.2 percent during this quarter. To moderate this depreciation pressure on the exchange rate, Bangladesh bank sold USD 347 million during Q2FY20. The foreign exchange reserves edged up to USD 32.7 billion at the end of Q2FY20 and its coverage of import payments remained at an adequate level of 5.4 months (Chart V.5). Given the nominal exchange rate of Taka against US Dollar, the shifts in major currencies movements and inflation in the trading partner countries, NEER and REER depreciated by 1.5 and 1.6 percent respectively in Q2FY20 compared to the same indices in the previous quarter of the same fiscal

year (Chart V.6). However, the nominal exchange rate of the most peer countries appreciated except those of Pakistan and India (Chart V.7).



Source: Bangladesh Bank

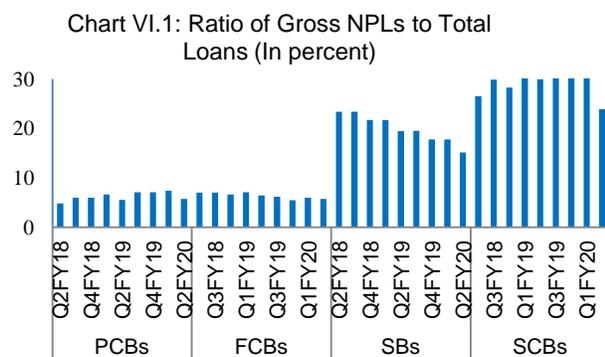


Source: Bangladesh Bank

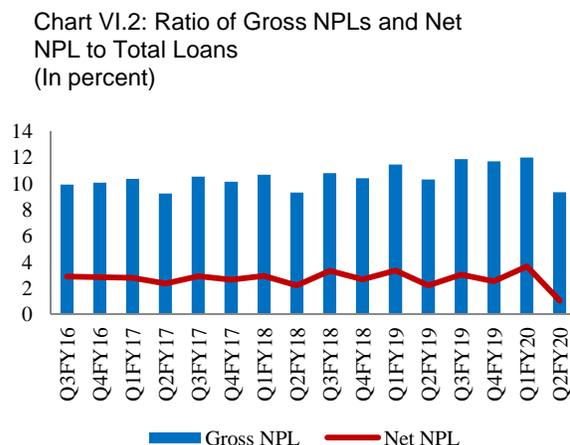
5.6 Looking ahead, strong growth of remittance inflows are expected to moderate the current account deficit in the near term. In addition, the recent opening of the UAE labor market and the lifting of the ban on manpower import from Bangladesh might improve the remittance inflows. However, sluggish GDP growth in major advanced and emerging market economies coupled with continued trade and geo-political tensions and the global public health emergencies relating to the Corona virus are likely to create some downside risks in the external sector.

## VI. Banking Sector

6.1 The indicators of the banking sector show some improvement at the end of Q2FY20, as reflected by the reduction in non-performing loans (NPLs), enhancement in liquidity condition, stability in capital adequacy and improvement in provision maintained. During Q2FY20 overall NPL went down, driven by state-owned commercial banks (SCBs), and private commercial banks (PCBs).



Source: Bangladesh Bank



Source: Bangladesh Bank

6.2 The overall NPL of the banking industry down by 2.7 percentage points to 9.32 percent in Q2FY20. The reduction of NPLs was affiliated with “One Time Exit Policy” for bad loan rescheduling offered by Bangladesh Bank at the beginning of FY20 and scaled up efforts for loan recovery by banks. At the end of Q2FY20, gross NPL for both SCBs and PCBs went down to 23.86 percent and 5.78 percent from that of 31.52 percent and 7.43 percent respectively in Q1FY20. Overall provisioning against classified loans further improved at the end of Q2FY20, however, SCBs witnessed deterioration (Table 6.1, Table VI.1 and Chart VI.1). The system-wide net NPLs of the banking industry witnessed an improvement, declining from 3.66 percent in Q1FY20 to 1.02 percent in Q2FY20 (Table VI.2 and Chart VI.2).

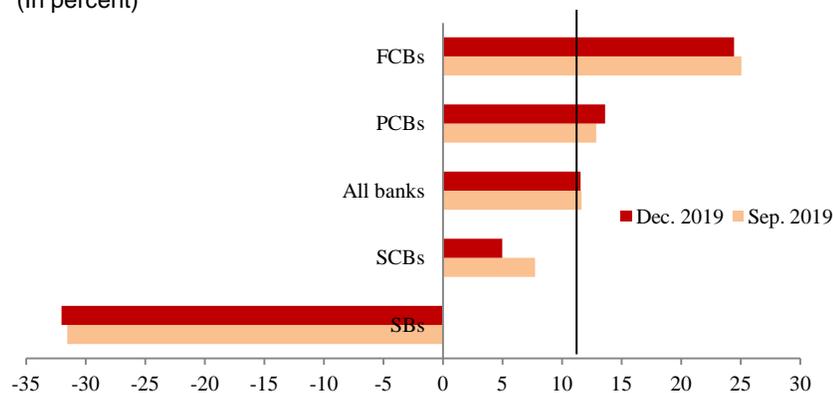
6.3 Overall capitalization of the banking sector remains stable at the end of Q2FY20. The capital to risk-weighted asset ratio (CRAR) stood at 11.6 percent in Q2FY20 and remained almost unchanged from Q1FY20. The CRAR of PCBs slightly increased to 13.6 percent in Q2FY20 from 12.9 percent in Q1FY20. However, the CRAR of SCBs modestly declined to 5.0 percent in Q2FY20 from 7.7 percent in Q1FY20.

6.4 The profitability of the banking industry improved at the end of December 2019 compared to that of last year. Both return on asset (ROA) and return on equity (ROE) for SCBs improved from -29.6 percent and -1.3 percent at the end December 2018 to -13.7 percent and -0.6 percent respectively at the end December 2019. However, ROA and ROE for PCBs remained almost unchanged to 0.77 percent and 11.16 percent respectively at the end of December 2019 (Table VI.4).

**Table 6.1: Comparative Position of Classified Loan and Provision Maintained**

(In billion of BDT)

Quarter	Items	SCBs	SBs	PCBs	FCBs	All Banks
Q3 FY19	Total classified loan	538.8	48.9	499.5	22.6	1109.7
	Required provision	348.6	23.4	282.2	16.5	670.7
	Provision maintained	257.2	25.9	281.5	17.5	582.1
	Excess(+)/shortfall(-)	-91.4	2.5	-0.7	1	-88.6
Q4 FY19	Total classified loan	537.4	47	519.2	20.6	1124.3
	Required provision	353	22.3	321.2	15.8	712.4
	Provision maintained	284.5	25.4	293.1	17.3	620.2
	Excess(+)/shortfall(-)	-68.5	3.1	-28.1	1.4	-92.2
Q1 FY20	Total classified loan	549.2	47	545.7	20.9	1162.9
	Required provision	255.8	22.4	330.8	15.7	624.6
	Provision maintained	191.4	25.4	309.3	17.3	543.3
	Excess(+)/shortfall(-)	-64.4	3	-21.5	1.6	-81.3
Q2FY20	Total classified loan	439.9	40.6	441.7	21.0	943.3
	Required provision	275.5	21.1	300.6	16.0	613.2
	Provision maintained	197.4	22.5	309.3	17.5	546.6
	Excess(+)/shortfall(-)	-78.1	1.4	8.7	1.5	-66.6

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

Source: Bangladesh Bank

6.5 The bank deposits rose to 12.3 percent at the end of Q2FY20 from 12.0 percent in Q1FY20. On the other hand, the growth of advances continued its downward trend and stood at 11.0 percent at the end of Q2FY20 against 11.7 percent in Q1FY20. The overall advance deposit ratio increased from 76.6 percent in Q1FY20 to 77.3 percent in Q2FY20 (Chart VI.5 and Table 6.2).

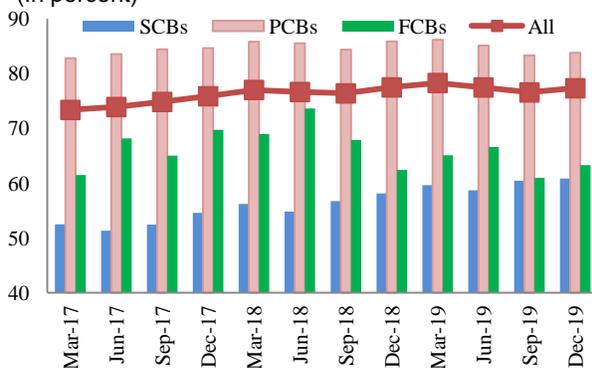
6.6 Overall liquidity conditions in the banking sector remained well-adequate and stable at the end of Q2FY20. Excess liquidity, the excess of CRR and SLR as a percent of total demand and time liabilities (TDTL), rose from 7.2 percent in Q1FY20 to 8.5 percent in Q2FY20 (Table 6.3).

**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)	
	Dec. 19	Sep.19	Dec. 19	Sep.19	Dec. 19	Sep.19
SCBs	6.4	6.3	13.2	12.7	60.9	60.4
PCBs	15.4	14.2	10.9	12.0	83.8	83.4
FCBs	3.3	16.2	3.5	3.6	63.3	61.0
SBs	8.5	6.7	8.2	9.2	77.2	77.2
All	12.3	12.0	11.0	11.7	77.3	76.6

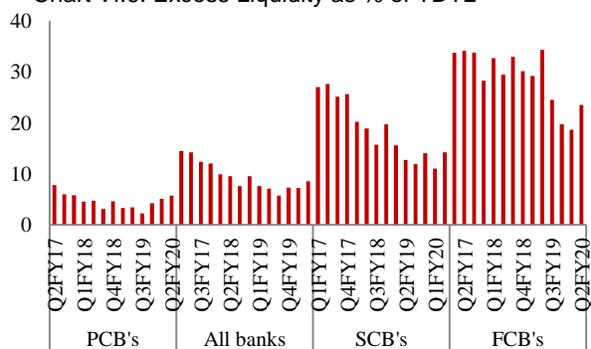
Source: Bangladesh Bank. \*Adjusted deposits growth for ADR

**Chart VI.5: Advance Deposit Ratio (In percent)**



Source: Bangladesh Bank

**Chart VI.6: Excess Liquidity as % of TDTL**



Source: Bangladesh Bank, staff's calculation

**Table 6.3: Liquidity Position of the Scheduled Banks**

(In billion of BDT)

Bank groups	CRR			SLR		
	Required Reserves	Balance with BB in local currency	Excess(+)/shortfall (-) in reserve	Required Liquidity	SLR eligible liquid assets of banks**	Excess(+)/shortfall (-) of SLR
1	2	3	4	5	6	7
As of end-December, 2019						
SCBs	164.8	193.0	29.4	385.3	810.9	425.6
SBs*	16.6	17.2	0.1	0.0	0.0	0.0
PCBs (other than Islamic)	323.0	338.4	19.4	763.2	1159.0	395.8
Private Banks (Islamic)	144.0	190.8	46.8	144.0	235.5	91.4
FCBs	33.7	41.0	8.7	78.5	222.5	144.1
All	682.1	780.4	104.8	1371.0	2428.0	1056.9
As of end-September, 2019						
SCBs	165.1	170.0	4.9	386.4	717.0	330.6
SBs*	16.6	15.9	-0.6	0.0	0.0	0.0
PCBs (other than Islamic)	313.5	319.6	6.1	741.7	1093.4	351.7
Private Banks (Islamic)	138.1	178.5	40.3	138.1	203.2	65.1
FCBs	42.0	42.6	0.6	78.2	220.4	142.2
All	675.2	726.5	51.2	1344.4	2234.0	889.5

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 as an agent of BB, unencumbered approved securities and excess reserve (column 4)

Note: According to the circular No-MPD-02, 2013 with effect from February 01, 2014 SLR has been calculated separately (excluded CRR) as 13% for conventional banks and 5.5% for Islamic banks of the total demand and time liabilities.

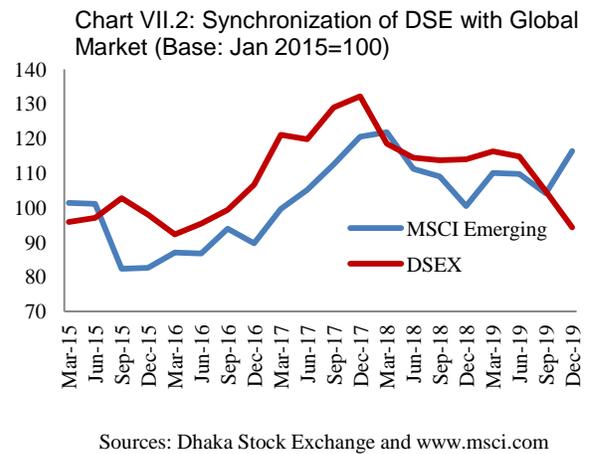
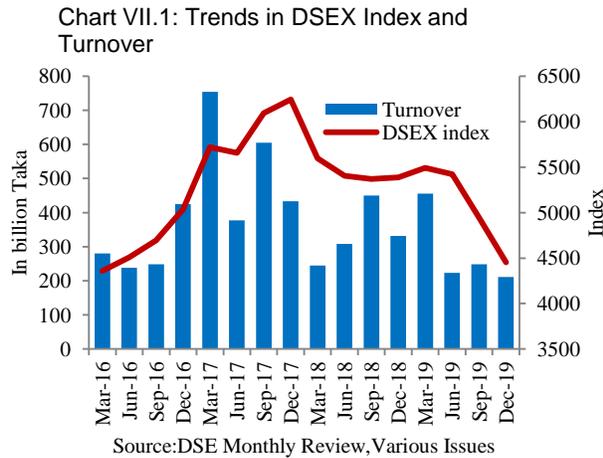
According to circular No. MPD-01, April 4, 2018, CRR revised to 5.5 percent from 6.5 percent effective from April 15, 2018

6.7 Although non-performing loans down remarkably in Q2FY20 because of various steps taken by governments, a challenge would remain whether the current loan recovery rate will continue in the coming quarters. The implementation of the single-digit lending rate policy may be a challenge for the banking sector.

## VII. Capital Market

7.1 Capital market experienced a weak performance during Q2FY20 compared to Q2FY19, as reflected in price indices, market capitalization, and turnover. All the indicators of the capital market declined during the quarter under review. There was synchronization with global capital market for a long time but that

synchronization diverged during Q2FY20 (Chart VII.2). Market capitalization decreased by 10.4 percent to BDT 2845.5 billion in Q2FY20 from Q1FY20 (Chart VII.1).



7.2 The key indicators of the capital market, the DSE broad index (DSEX) and DSE-30 index witnessed some price correction in Q2FY20. The DSEX index was 10.0 percent and 17.3 percent lower than in September 2019 and December 2018 respectively. The DSE-30 index dropped by 14.1 percent and 19.6 percent from September 2019 and December 2018 respectively (Chart VII.1 and Table VII.1). Sector-wise index<sup>1</sup> shows that Telecommunication reached the highest (2649.4) while Textile sector remained the lowest level (146.8) (Chart-VII.4).

7.3 The overall price-earnings (PE) ratio of the DSE edged down in Q2FY20. The average price earnings ratios declined to 11.80 in December 2019 from 13.36 in September 2019. Sector-wise PE data show that banking sector's PE score was the lowest position while that of the IT sector was the highest in Q2FY20 (Chart VII.3).

<sup>1</sup> Sector wise index= (Sector wise market capitalization/ Sector wise paid-up capital)\*100

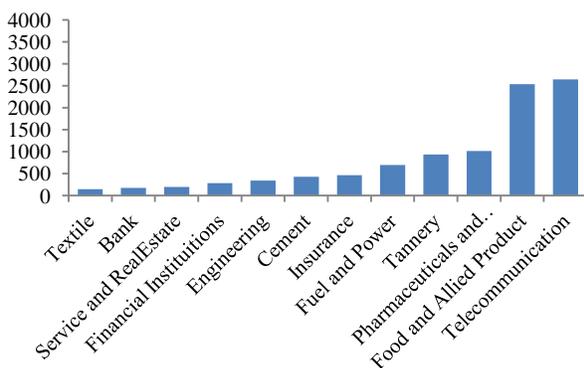
Chart VII.3: Heat Map for Sectoral Price Earnings Ratio of DSE

Sector	Share of Total M.cap December-19	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
Bank	19.0	10.7	11.2	9.0	8.8	8.8	9.1	9.3	8.3	8.2	7.8
Financial Institutions	5.1	24.4	20.9	14.9	14.7	13.6	14.0	15.4	14.7	13.2	17.3
Engineering	5.2	20.7	18.7	16.5	16.8	17.9	15.5	14.4	14.6	12.8	11.3
Food & Allied	7.8	25.3	28.3	28.2	26.7	25.7	26.7	32.9	25.1	21.2	17.5
Fuel & Power	13.6	12.2	11.8	11.0	12.6	14.3	14.9	15.4	14.7	13.0	10.6
Textile	3.7	14.4	18.6	16.0	17.6	18.0	18.0	16.8	16.8	12.8	12.8
Pharmaceuticals	16.6	17.6	21.1	21.3	20.6	19.2	18.6	19.4	19.1	18.5	15.3
Service & Real Estate	0.5	31.3	20.6	17.1	16.7	16.7	15.6	15.6	15.4	13.2	13.0
Cement	2.4	21.5	25.0	21.4	34.6	33.7	35.9	35.5	28.6	24.9	21.0
IT	0.7	33.3	28.0	25.4	26.0	27.4	23.8	23.1	24.4	22.5	22.6
Tannery	0.7	21.6	18.1	17.4	15.8	17.0	19.0	19.0	20.3	17.2	14.0
Insurance	4.0	14.8	14.5	12.9	11.0	11.9	11.7	13.9	14.4	15.4	15.2
Telecommunication	14.1	25.6	28.6	28.0	19.5	18.5	18.6	21.0	14.6	14.1	11.2
Miscellaneous	3.4	21.3	21.3	20.5	16.9	27.8	25.8	30.7	27.1	25.1	19.9

Sources: DSE Monthly Review, Various Issues

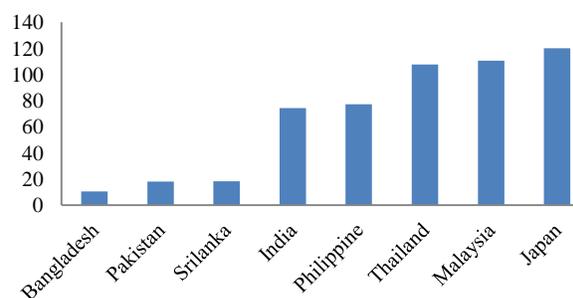
7.4 The issued capital in the DSE continued to expand but total turnover declined in Q2FY20. The value of issued equity and debt increased by 2.1 percent and one new company were listed in the capital market in Q2FY20. Thus the number of listed securities rose to 366 at the end of Q2FY20. Total turnover value dropped by 14.9 percent during Q2FY20 compared to previous quarter (Chart VII.1). Market liquidity as measured by the Turnover Velocity Ratio (TVR)<sup>2</sup> decreased to 29.7 percent in Q2FY20 from 31.3 percent in Q1FY20.

Chart VII.4: Index of Major Sector, December 2019



Source: DSE Monthly Review, December 2019

Chart VII.5: Selected Countries; Stock Market Capitalization, December 2019 (In percent of GDP)



Source : DSE Monthly Review, January 2020

<sup>2</sup> TVR= (Turnover during the Quarter/Quarter-end Market capitalization)\*4.

7.5 Total turnover by foreign and non-resident Bangladeshi turned down during Q2FY20. In Q2FY20 investment by foreign and non-resident Bangladeshi investors declined to BDT 6.0 billion from BDT 7.4 billion in Q1FY20. Share sold by foreign and non-resident Bangladeshi also declined to BDT 8.9 billion from BDT 10.7 billion in Q1FY20. Thus the total turnover by foreign and non-resident Bangladeshi reduced to BDT14.9 billion in Q2FY20 from 18.2 billion in Q1FY20.

Table 7.1: Selected Countries: Price Earnings Ratio and Dividend Yield as of December 2019

Country	Price Earnings Ratio	Dividend Yield
Bangladesh	12.10	3.63
India	27.95	1.10
Sri Lanka	10.97	3.13
Thailand	19.40	3.14
Hong Kong	13.35	-
China	14.72	-

Source: DSE monthly Review, December 2019

7.6 Cross-country data on price earnings (PE) ratios as of December 2019 shows that Bangladesh has moderate PE ratio among the South and East Asian countries while dividend yield of Bangladesh is the highest among these countries (Table 7.1). Market capitalization in Bangladesh remains low at around 20 percent of GDP.

7.7 Looking ahead, liquidity conditions in the capital market may improve due to some policy support. Recently, Bangladesh Bank asked all scheduled banks to form a special fund BDT 200 crore to invest in the capital market with some condition in addition to their exposure limit. These initiatives are expected to make vibrant capital market in near future.

# Tables

**Table I.I: Macroeconomic Framework: Key Economic Indicators**

(Growth in percent, unless otherwise indicated)

Indicators	FY15	FY16	FY17	FY18	FY19
Real GDP	6.6	7.1	7.3	7.9	8.2
GDP deflator	5.8	6.8	5.3	5.6	4.5
CPI Inflation (average)	6.4	5.5	5.9	5.8	5.5
CPI Inflation (point to point)	6.3	5.9	5.4	5.5	5.5
In percent of GDP					
Gross Domestic Savings	22.1	25.0	25.3	22.8	25.0
Gross domestic investment	28.9	29.7	30.5	31.2	31.6
Total revenue	10.9	10.5	10.5	10.8	10.1
Tax	9.0	9.0	8.8	9.2	8.8
Nontax	1.5	1.2	1.4	1.3	1.0
Total expenditure	13.8	13.9	13.4	14.7	14.6
Current expenditure	8.0	7.5	6.5	6.8	7.0
Annual Development Program	4.7	5.0	5.5	6.6	6.6
Other expenditure (residual)	1.1	1.4	1.4	1.3	1.1
Overall balance (excluding grants)	-2.9	-3.4	-2.9	-3.9	-4.5
Financing (net)	2.9	3.4	2.9	3.9	4.5
Domestic financing	1.8	2.2	1.9	2.1	2.8
Banking System	-0.5	0.2	-0.9	-0.1	0.7
Non-bank	2.3	2.0	2.7	2.1	2.1
Money and credit					
Private sector credit	13.2	16.6	15.7	17.0	11.3
Broad money (M2)	12.4	16.4	10.9	9.2	9.9
External Sector					
Exports, f.o.b.	3.1	8.9	1.7	6.4	10.1
Imports, f.o.b.	3.0	5.9	9.0	25.2	1.8
In percent of GDP					
Current account balance	1.8	1.9	-0.6	-3.6	-1.75
Overall balance	2.2	2.3	1.3	-0.3	0.004
In million USD					
Exports, f.o.b.	30,697	33,441	34,019	36,285	39,945
Imports, f.o.b.	37,662	39,901	43,491	54,463	55,439
Gross official reserves	25,021	30,176	33,407	32,944	32,550
In terms of month of imports	6.5	7.2	6.6	6.0	5.5
<b>Memorandum items:</b>					
<b>Nominal GDP (in billion Taka)</b>	<b>15,158</b>	<b>17,329</b>	<b>19,758</b>	<b>22,505</b>	<b>25,425</b>

Source: Bangladesh Bank; Ministry of Finance and Bangladesh Bureau of Statistics.

**Table I.2: Real GDP Growth by Sectors**  
(In percent)

Sectors	FY15	FY16	FY17	FY18	FY19
<b>Agriculture</b>	<b>3.3</b> (16.0)	<b>2.8</b> (15.4)	<b>3.0</b> (14.7)	<b>4.2</b> (14.2)	<b>3.9</b> (13.7)
a) Agriculture and forestry	2.5	1.8	2.0	3.5	3.2
i) Crops and horticulture	1.8	0.9	1.0	3.1	2.0
ii) Animal Farmings	3.1	3.2	3.3	3.4	3.5
iii) Forest and related services	5.1	5.1	5.6	5.5	8.3
b) Fishing	6.4	6.1	6.2	6.4	6.2
<b>Industry</b>	<b>9.7</b> (30.4)	<b>11.1</b> (31.5)	<b>10.2</b> (32.4)	<b>12.1</b> (33.7)	<b>12.7</b> (35.0)
a) Mining and quarrying	9.6	12.8	8.9	7.0	5.9
b) Manufacturing	10.3	11.7	11.0	13.4	14.2
i) Large & medium scale	10.7	12.3	11.2	14.3	14.9
ii) Small scale	8.5	9.1	9.8	9.3	11.0
c) Power, gas and water supply	6.2	13.3	8.5	9.2	9.6
d) Construction	8.6	8.6	8.8	9.9	10.3
<b>Service</b>	<b>5.8</b> (53.6)	<b>6.3</b> (53.1)	<b>6.7</b> (52.9)	<b>6.3</b> (52.1)	<b>6.8</b> (51.4)
a) Wholesale and retail trade	6.4	6.5	7.4	7.5	8.1
b) Hotel and restaurants	6.8	7.0	7.1	7.3	7.6
c) Transport , storage and communications	6.0	6.1	6.8	6.6	7.2
d) Financial intermediations	7.8	7.7	9.1	7.9	7.4
e) Real estate, renting and business activity	4.4	4.5	4.8	5.0	5.2
f) Public administration and defense	9.8	11.4	9.2	8.5	6.4
g) Education	8.0	11.7	11.4	7.0	7.7
h) Health and social works	5.2	7.5	7.6	7.0	11.8
i) Community , social and personal service	3.3	3.3	3.6	3.7	3.7
<b>GDP (at constant market price)</b>	<b>6.55</b>	<b>7.11</b>	<b>7.28</b>	<b>7.86</b>	<b>8.13</b>

Source: Bangladesh Bureau of Statistics

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

**Table I.3: Nominal GDP by Sectors**  
(In billion Taka)

	FY15	FY16	FY17	FY18	FY19
<b>Agriculture</b>	<b>2,241</b>	<b>2,434</b>	<b>2,650</b>	<b>2,942</b>	<b>3,224</b>
a) Agriculture and forestry	1,765	1,903	2,054	2,274	2,481
i) Crops and horticulture	1,261	1,343	1,437	1,592	1,723
ii) Animal farmings	299	332	360	396	432
iii) Forest and related services	205	228	257	286	326
b) Fishing	476	531	596	669	743
<b>Industry</b>	<b>4,067</b>	<b>4,739</b>	<b>5,483</b>	<b>6,422</b>	<b>7,538</b>
a) Mining and quarrying	239	286	341	389	440
b) Manufacturing	2,545	2,951	3,418	4,041	4,814
i) Large & medium scale	2,060	2,402	2,792	3,326	3,962
ii) Small scale	485	549	626	716	852
c) Power, gas and water supply	199	238	262	293	321
d) Construction	1,085	1,264	1,461	1,699	1,964
<b>Service</b>	<b>8,142</b>	<b>9,301</b>	<b>10,566</b>	<b>11,919</b>	<b>13,437</b>
a) Wholesale and retail trade	1,926	2,143	2,440	2,798	3,227
b) Hotel and restaurants	149	171	193	221	252
c) Transport , storage & communications	1,500	1,692	1,871	2,046	2,260
d) Financial intermediations	558	636	732	837	942
e) Real estate, renting and business activity	1,061	1,237	1,445	1,664	1,905
f) Public administration and defense	507	667	784	902	990
g) Education	376	465	569	645	731
h) Health and social works	301	348	390	441	520
i) Community , social and personal service	1,764	1,942	2,142	2,364	2,610
<b>Total GVA at current basic price</b>	<b>14,450</b>	<b>16,473</b>	<b>18,699</b>	<b>21,283</b>	<b>24,199</b>
Tax less subsidy	708	856	1,059	1,222	1,226
<b>GDP at current market price</b>	<b>15,158</b>	<b>17,329</b>	<b>19,758</b>	<b>22,505</b>	<b>25,425</b>

Source: Bangladesh Bureau of Statistics

**Table I.4 : Crop-wise Agricultural Production**

Crops	Actual for FY19		Actual / Target for FY 20	
	Area	Production	Area	Production
	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)
Aus	11.5	29.2	11.3	30.904*
Aman	56.2	140.2	59.0*	153.6
Boro	49.1	203.9	48.7	204.4
<b>Total Rice</b>	<b>116.8</b>	<b>373.3</b>	<b>119.0</b>	<b>387.1</b>
Wheat	3.3	11.5	3.5	12.5
Maize	5.1	47.0	5.6	52.1
<b>Total Cereal</b>	<b>125.1</b>	<b>431.8</b>	<b>128.1</b>	<b>451.7</b>
Jute	6.5	74.4	7.0	68.2*
Potato	4.7	109.5	4.5	108.0
Vegetables	8.6	172.5	8.7	174.7
Moong	2.4	2.8	2.4	2.9
Mosur	1.9	2.5	2.1	2.9
Gram	0.1	0.1	0.1	0.2
Mustard	5.2	6.8	6.0	8.4
Onion	2.1	23.3	2.1	23.8

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

\* = Actual

**Table I.5 : Quantum Index of Medium and Large-scale Manufacturing Industries, Mining and Electricity**  
(Base: 2005-06)

	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q* <sub>2</sub>
Manufacturing	344.9	325.9	345.9	352.7	355.1	386.5	370.9	392.2	391.6	391.4	402.4	405.5
Mining	186.0	187.4	186.3	184.3	186.2	182.6	183.5	175.5	181.3	190.0	189.0	181.0
Electricity	270.9	291.7	243.7	259.4	288.9	289.8	298.4	261.3	254.2	345.0	370.3	332.7

Source : Bangladesh Bureau of Statistics, \*= October 2019

**Tables I.6 : Quantum Index of Medium and Large-scale Manufacturing Industries by Major Industries**  
(Base: 2005-06)

	Weight	FY19	FY19				FY20	
			Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q* <sub>2</sub>
General Index	100.0	388.6	379.6	392.2	391.6	391.2	402.4	405.5
Food products	10.8	536.1	498.8	562.3	529.3	553.8	581.2	593.7
Beverages	0.3	272.7	315.4	158.3	214.6	402.7	335.3	321.7
Tobacco products	2.9	138.6	134.2	139.0	140.3	140.9	141.1	141.6
Textile	14.1	199.7	183.1	201.4	201.3	212.8	212.4	216.9
Wearing apparel	34.8	443.0	424.9	461.1	459.0	427.2	420.3	397.8
Leather and related products	4.4	348.6	326.7	401.0	340.4	326.2	334.4	353.8
Wood and products of wood and cork	0.3	356.4	349.4	353.3	358.5	364.6	373.7	378.7
Paper and paper products	0.3	187.6	186.9	187.3	187.8	188.4	189.1	191.4
Printing and reproduction of recorded media	1.8	178.9	172.4	175.7	181.4	186.0	190.7	194.8
Coke and refined petroleum products	1.3	109.7	109.2	109.8	109.9	110.0	115.6	94.3
Chemicals and chemical products	3.7	133.8	153.4	135.5	130.4	115.7	111.8	136.2
Pharmaceuticals and medicinal chemical	8.2	670.4	749.8	580.1	650.8	701.0	839.0	892.5
Rubber and plastic products	1.6	442.1	434.3	438.1	445.4	450.7	462.5	458.8
Other non-metallic mineral products	7.1	431.9	413.5	421.0	435.7	457.6	457.1	487.4
Basic metal	3.2	187.0	187.5	187.2	186.8	186.7	188.8	189.5
Fabricated metal products	2.3	297.4	292.0	296.3	298.8	302.7	299.3	310.0
Computer, electronic and optical product	0.2	246.1	195.6	191.8	268.1	328.8	377.2	351.4
Electrical equipment	0.7	335.1	245.8	382.0	289.1	423.3	242.6	337.0
Machinery and equipment	0.2	641.0	599.2	624.4	641.3	699.0	747.9	730.1
Motor vehicles and trailers	0.1	614.1	682.2	886.6	556.7	330.9	438.9	385.4
Other transport equipment	0.7	593.7	559.4	584.4	612.3	618.7	620.5	623.2
Furniture	0.9	193.8	193.0	199.1	191.1	192.2	194.4	199.5

Source : Bangladesh Bureau of Statistics, \*= October 2019

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

	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
Quantity												
Export	6,997	1,714	1,827	1,766	1,691	6,849	1,748	1,771	1,751	1,580	1,820	1,803
Import	78,050	16,702	20,323	20,425	20,600	83,021	18,154	21,442	22,984	20,440	20,052	24,479
Total	85,048	18,416	22,150	22,191	22,291	88,969	19,002	23,213	24,735	22,020	21,872	26,283
	Growth in percent <sup>1</sup>											
Export	4.3	13.5	-0.1	1.1	4.0	-2.1	2.0	-3.1	-0.9	-6.6	4.1	1.8
Import	17.4	15.4	14.7	15.1	24.7	6.4	8.7	5.5	12.5	-0.8	10.5	14.2
Total	16.2	15.2	13.3	13.8	22.8	4.6	3.2	4.8	11.5	-1.2	15.1	13.2

Source: Chattogram Port Authority.

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

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

Institutions	FY18					FY19				FY20		
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
<b>Outstanding</b>												
Banks	9,076	8,012	8,470	8,714	9,076	10,100	9,188	9,588	9,797	10,100	10,167	10,532
Non-banks	644	596	602	630	644	670	650	668	681	670	668	677
Microfinance institutions	570	466	556	569	570	636	573	603	624	636	640	679
<b>Total</b>	<b>10,290</b>	<b>9,074</b>	<b>9,628</b>	<b>9,913</b>	<b>10,290</b>	<b>11,406</b>	<b>10,410</b>	<b>10,859</b>	<b>11,102</b>	<b>11,406</b>	<b>11,474</b>	<b>11,889</b>
	Growth in percent <sup>1</sup>											
Banks	17.0	17.8	18.1	18.0	17.0	11.3	14.7	13.2	12.4	11.3	10.7	9.8
Non-banks	10.7	12.7	10.3	13.0	10.7	4.1	9.0	11.0	8.0	4.1	2.8	1.4
Microfinance institutions	23.1	23.5	36.7	30.5	23.1	11.4	23.0	8.5	9.8	11.4	11.7	12.7
<b>Total</b>	<b>16.9</b>	<b>17.7</b>	<b>18.5</b>	<b>18.3</b>	<b>16.9</b>	<b>10.8</b>	<b>14.7</b>	<b>12.8</b>	<b>12.0</b>	<b>10.8</b>	<b>10.2</b>	<b>9.5</b>

Source: Bangladesh Bank; Grameen Bank; BRAC; ASA ; Proshika

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

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

Sectors	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
<b>Outstanding</b>												
a. Agriculture	404	361	385	391	404	429	387	392	410	429	415	430
<i>Crops</i>	378	335	357	364	378	393	354	357	376	393	380	393
<i>Others</i>	26	26	28	27	26	36	33	34	35	36	35	37
b. Industry	3,400	2,984	3,175	3,222	3,400	3,851	3,509	3,663	3,741	3,851	3,989	4,144
<i>Term Loan</i>	1,588	1,383	1,474	1,453	1,588	1,909	1,584	1,752	1,774	1,909	1,937	2,011
<i>Working capital financing</i>	1,812	1,601	1,701	1,768	1,812	1,942	1,924	1,911	1,968	1,942	2,053	2,132
c. Construction	778	665	693	733	778	901	799	850	855	901	911	884
d. Transport	69	57	58	66	69	72	71	67	72	72	86	85
e. Trade & Commerce	2,832	2,532	2,616	2,734	2,832	3,121	2,844	2,957	3,061	3,121	3,106	3,254
f. Other Institutional loan	209	174	179	203	209	260	215	250	261	260	268	276
g. Consumer finance	607	566	693	605	607	686	599	648	631	686	648	711
h. Miscellaneous	44	32	26	35	44	53	44	47	46	53	33	38
<b>Grand Total :</b>	<b>8,343</b>	<b>7,369</b>	<b>7,824</b>	<b>7,989</b>	<b>8,343</b>	<b>9,374</b>	<b>8,467</b>	<b>8,875</b>	<b>9,078</b>	<b>9,374</b>	<b>9,456</b>	<b>9,821</b>
Growth in percent												
a. Agriculture	12.6	12.6	18.2	14.7	12.6	6.1	7.1	1.7	4.9	6.1	7.3	9.7
<i>Crops</i>	16.3	14.0	20.3	16.7	16.3	3.8	5.5	0.1	3.2	3.8	7.3	10.0
<i>Others</i>	-23.6	-3.4	-2.8	-7.6	-23.6	38.7	28.2	22.3	29.2	38.7	7.2	7.0
b. Industry	23.5	26.0	29.3	26.1	23.5	13.3	17.6	15.4	16.1	13.3	13.7	13.1
<i>Term Loan</i>	23.9	25.5	26.5	20.4	23.9	20.2	14.6	18.9	22.1	20.2	22.2	14.8
<i>Working capital financing</i>	23.2	26.4	31.7	31.1	23.2	7.2	20.2	12.4	11.3	7.2	6.7	11.6
c. Construction	19.8	18.3	11.5	17.7	19.8	15.8	20.1	22.6	16.6	15.8	14.0	4.1
d. Transport	35.4	20.3	14.2	26.6	35.4	4.2	25.3	16.3	9.2	4.2	21.3	25.7
e. Trade & Commerce	11.1	14.9	9.9	12.7	11.1	10.2	12.3	13.1	12.0	10.2	9.2	10.0
f. Other Institutional loan	28.6	36.5	24.7	41.5	28.6	24.3	23.8	40.0	28.3	24.3	24.8	10.3
g. Consumer finance	9.0	7.8	23.8	5.4	9.0	13.0	5.9	-6.5	4.3	13.0	8.2	9.7
h. Miscellaneous	-12.9	-36.7	-50.5	-35.6	-12.9	20.6	38.6	81.8	32.3	20.6	-24.2	-19.9
<b>Grand Total :</b>	<b>17.0</b>	<b>18.8</b>	<b>18.7</b>	<b>18.0</b>	<b>17.0</b>	<b>12.4</b>	<b>14.9</b>	<b>13.4</b>	<b>13.6</b>	<b>12.4</b>	<b>11.7</b>	<b>10.7</b>

Source: Statistics department, Bangladesh Bank.

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

	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
<b>Programme/Target (July-June)</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>241.2</b>	<b>241.2</b>
<b>Total disbursement</b>	<b>213.9</b>	<b>42.4</b>	<b>65.2</b>	<b>54.6</b>	<b>51.8</b>	<b>236.2</b>	<b>34.9</b>	<b>67.4</b>	<b>60.3</b>	<b>73.5</b>	<b>35.5</b>	<b>72.5</b>
Crop	103.4	18.9	33.9	26.0	24.4	118.8	16.9	36.8	30.0	35.1	16.9	38.6
Irrigation	1.5	0.3	0.5	0.5	0.3	1.6	0.2	0.5	0.5	0.3	0.1	0.5
Agricultural equipment	1.2	0.3	0.6	0.2	0.1	1.6	0.3	0.5	0.3	0.5	0.3	0.4
Live-stock	30.6	7.9	9.0	7.1	6.6	32.5	5.6	8.6	8.1	10.2	5.9	10.0
Fisheries	24.6	5.6	6.6	6.5	5.9	26.8	4.5	7.3	7.0	8.0	4.8	7.6
Grain storage & marketing	1.1	0.2	0.4	0.2	0.3	1.2	0.1	0.3	0.2	0.6	0.2	0.4
Poverty alleviation	21.5	2.4	5.8	8.2	5.0	19.5	2.6	5.2	6.5	5.1	3.0	5.3
Others	30.0	6.8	8.3	5.7	9.1	34.3	4.8	8.1	7.8	13.7	4.3	9.7
<b>Total recovery</b>	<b>213.9</b>	<b>45.6</b>	<b>55.7</b>	<b>52.6</b>	<b>60.0</b>	<b>237.3</b>	<b>45.1</b>	<b>68.9</b>	<b>56.2</b>	<b>67.2</b>	<b>43.7</b>	<b>71.3</b>
<b>Total overdue</b>	<b>72.1</b>	<b>65.0</b>	<b>65.3</b>	<b>68.1</b>	<b>72.1</b>	<b>66.9</b>	<b>72.4</b>	<b>66.8</b>	<b>63.7</b>	<b>66.9</b>	<b>67.0</b>	<b>64.0</b>
<b>Outstanding</b>	<b>406.0</b>	<b>389.5</b>	<b>401.5</b>	<b>404.2</b>	<b>406.0</b>	<b>429.7</b>	<b>396.2</b>	<b>401.1</b>	<b>409.2</b>	<b>429.7</b>	<b>422.3</b>	<b>430.3</b>
Overdue as percent of outstanding	17.8	16.7	16.3	16.9	17.8	15.6	18.3	16.7	15.6	15.6	15.9	14.9
Growth in percent <sup>1</sup>												
Total disbursement	1.9	24.6	-0.2	-7.1	-0.2	10.4	-17.5	3.3	10.5	41.9	1.7	7.6
Total recovery	13.5	28.8	2.2	5.8	23.0	10.9	-1.2	23.7	6.8	12.0	-3.0	3.5

Source: Agricultural Credit Department, Bangladesh Bank.

<sup>1</sup> 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	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
<b>1. Total disbursement</b>	<b>898.8</b>	<b>199.1</b>	<b>242.7</b>	<b>241.6</b>	<b>215.4</b>	<b>976.5</b>	<b>221.5</b>	<b>251.5</b>	<b>258.9</b>	<b>244.5</b>	<b>243.5</b>	<b>282.5</b>
i) Grameen Bank	243.3	54.4	66.8	65.6	56.5	251.4	58.5	66.2	65.721	60.9	60.4	67.4
ii) BRAC	316.6	68.3	82.6	84.6	81.1	396.1	86.5	102.2	105.0	102.5	103.6	120.6
iii) ASA	336.0	75.6	92.6	90.7	77.0	324.7	75.6	82.1	87.0	80.0	78.1	92.9
iv) Proshika	3.1	0.7	0.8	0.8	0.8	4.3	0.9	1.0	1.2	1.2	1.4	1.6
<b>2. Total recovery</b>	<b>879.7</b>	<b>200.1</b>	<b>225.9</b>	<b>228.7</b>	<b>225.0</b>	<b>964.7</b>	<b>229.4</b>	<b>244.1</b>	<b>245.1</b>	<b>246.0</b>	<b>260.5</b>	<b>271.4</b>
i) Grameen Bank	219.7	45.6	59.7	59.1	55.3	245.1	60.3	63.1	62.4	59.3	64.2	65.4
ii) BRAC	328.1	76.8	80.8	84.0	86.5	398.9	91.3	97.0	102.6	108.0	113.6	118.8
iii) ASA	329.0	76.9	84.7	84.9	82.5	316.4	76.9	83.0	79.0	77.5	81.2	85.6
iv) Proshika	3.2	0.8	0.8	0.8	0.8	4.2	0.9	1.0	1.1	1.2	1.4	1.7
<b>3. Loans outstanding</b>	<b>570.4</b>	<b>465.6</b>	<b>555.6</b>	<b>568.8</b>	<b>570.4</b>	<b>635.6</b>	<b>572.6</b>	<b>602.8</b>	<b>624.4</b>	<b>635.6</b>	<b>639.6</b>	<b>679.2</b>
<b>4. Loans overdue</b>	<b>30.9</b>	<b>8.0</b>	<b>25.7</b>	<b>28.2</b>	<b>30.9</b>	<b>11.7</b>	<b>8.9</b>	<b>11.1</b>	<b>11.5</b>	<b>11.7</b>	<b>12.2</b>	<b>12.3</b>
<b>5. Overdue as percent of outstanding</b>	<b>5.4</b>	<b>1.7</b>	<b>4.6</b>	<b>5.0</b>	<b>5.4</b>	<b>1.8</b>	<b>1.5</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>1.8</b>

Sources: Grameen Bank; BRAC; ASA ; Proshika.

**Table I.12 : Industrial Term Lending by Banks and NBFIs**

( In billion Taka)

	FY18	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY20 Q <sub>1</sub>
<b>Disbursement</b>							
SOBs	26.3	27.1	7.0	6.8	6.7	6.6	29.1
PCBs	528.9	615.4	139.3	173.5	119.7	182.8	168.8
Foreign banks	21.2	27.6	5.1	5.6	5.3	11.6	7.5
Specialized banks	10.5	9.7	0.3	4.3	1.2	3.9	0.4
Non-bank financial institutions	120.8	128.7	39.4	52.3	19.6	17.4	13.9
<b>Total</b>	<b>707.7</b>	<b>808.5</b>	<b>191.1</b>	<b>242.6</b>	<b>152.5</b>	<b>222.3</b>	<b>219.7</b>
<b>Recovery</b>							
SOBs	56.0	56.6	18.0	19.4	10.4	8.8	17.2
PCBs	551.6	606.9	120.8	132.2	153.6	200.2	163.8
Foreign banks	13.3	14.8	3.5	2.8	3.3	5.2	7.5
Specialized banks	12.0	7.1	0.3	2.0	1.6	3.3	0.3
Non-bank financial institutions	68.8	80.3	21.2	22.5	17.9	18.7	19.0
<b>Total</b>	<b>701.9</b>	<b>765.7</b>	<b>163.8</b>	<b>178.9</b>	<b>184.7</b>	<b>238.3</b>	<b>207.9</b>
<b>Outstanding</b>							
SOBs	411.5	473.2	437.2	414.7	301.2	473.2	459.6
PCBs	1,304.5	1,583.8	1,378.2	1,454.2	1,389.0	1,583.8	1,621.9
Foreign banks	32.7	66.9	34.7	39.9	44.6	66.9	70.4
Specialized banks	12.6	16.2	12.7	15.2	15.2	16.2	16.1
Non-bank financial institutions	267.2	298.2	272.1	283.3	288.0	298.2	305.3
<b>Total :</b>	<b>2,028.4</b>	<b>2,438.3</b>	<b>2,134.9</b>	<b>2,207.4</b>	<b>2,037.9</b>	<b>2,438.3</b>	<b>2,473.4</b>
Growth in Percent <sup>1</sup>							
<b>Disbursement</b>							
SOBs	-31.6	2.8	-30.9	24.7	-9.6	93.1	319.2
PCBs	13.7	16.4	16.8	23.5	-4.5	27.2	21.1
Foreign banks	56.3	30.5	139.0	-7.1	-36.1	144.9	45.4
Specialized banks	-2.6	-7.6	-91.3	199.8	-59.8	25.8	54.7
Non-bank financial institutions	29.3	6.6	69.8	105.8	-23.9	-62.6	-64.8
<b>All Banks and NBFIs</b>	<b>13.9</b>	<b>14.2</b>	<b>21.2</b>	<b>35.6</b>	<b>-10.2</b>	<b>10.4</b>	<b>15.0</b>
<b>Recovery</b>							
SOBs	38.5	1.1	144.7	47.6	-36.7	-53.8	-4.2
PCBs	40.9	10.0	-4.1	-10.9	20.7	33.5	35.6
Foreign banks	13.7	11.1	17.0	-39.9	9.7	94.3	117.0
Specialized banks	31.4	-40.6	-87.5	-13.2	-73.2	106.4	3.5
Non-bank financial institutions	0.8	16.7	28.9	25.9	39.5	-13.5	-10.4
<b>All Banks and NBFIs</b>	<b>34.7</b>	<b>9.1</b>	<b>5.6</b>	<b>-4.0</b>	<b>11.8</b>	<b>22.1</b>	<b>26.9</b>
<b>Outstanding</b>							
SOBs	24.3	15.0	27.3	13.9	-18.9	15.0	5.1
PCBs	16.2	21.4	19.4	21.1	11.8	21.4	17.7
Foreign banks	44.2	104.3	52.1	63.5	45.4	104.3	103.0
Specialized banks	-17.2	29.2	-19.8	0.1	21.1	29.2	26.9
Non-bank financial institutions	22.3	11.6	22.4	15.6	12.0	11.6	12.2
<b>All Banks and NBFIs</b>	<b>18.6</b>	<b>20.2</b>	<b>21.4</b>	<b>19.3</b>	<b>6.5</b>	<b>20.2</b>	<b>15.9</b>

Source: SME &amp; Special Programmes Department Bangladesh Bank

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

**Table II.1 : Trend in Inflation**

(Base: 2005-06=100)

Period	12 Month point to point			12 Month Average		
	General	Food	Non-food	General	Food	Non-food
<b>2018</b>						
January	5.9	7.4	3.1	5.7	7.2	3.0
February	5.6	6.9	3.3	5.7	7.2	3.1
March	5.6	6.8	3.5	5.8	7.2	3.2
April	5.6	7.0	3.5	5.8	7.3	3.6
May	5.6	6.6	4.1	5.8	7.3	3.6
June	5.5	6.0	4.9	5.8	7.1	3.7
July	5.5	6.2	4.5	5.8	7.1	3.8
August	5.5	6.0	4.7	5.7	6.9	3.9
September	5.4	5.4	5.5	5.7	6.7	4.1
October	5.4	5.1	5.9	5.6	6.5	4.3
November	5.4	5.3	5.5	5.6	6.4	4.4
December	5.4	5.3	5.5	5.5	6.2	4.5
<b>2019</b>						
January	5.4	5.3	5.6	5.5	6.0	4.7
February	5.5	5.4	5.5	5.5	5.9	4.9
March	5.6	5.7	5.3	5.5	5.8	5.0
April	5.6	5.5	5.6	5.5	5.6	5.2
May	5.6	5.5	5.8	5.5	5.6	5.4
June	5.5	5.4	5.7	5.5	5.5	5.4
July	5.6	5.4	5.9	5.5	5.4	5.5
August	5.5	5.3	5.8	5.5	5.4	5.6
September	5.5	5.3	5.9	5.5	5.4	5.7
October	5.5	5.5	5.5	5.5	5.4	5.6
November	6.1	6.4	5.5	5.6	5.5	5.6
December	5.8	5.9	5.6	5.6	5.6	5.6

Source: Bangladesh Bureau of Statistics (BBS)

Note: Food includes food, beverage &amp; tobacco.

**Table II.2 : International Commodity Prices**

	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
Rice (US\$/M.T) Thailand (Milled,5% broken)	422.0	404.0	400.7	432.3	451.0	407.3	402.7	404.7	408.0	414.0	424.3	425.7
Wheat (US\$/M.T)	188.1	183.8	175.1	189.3	204.4	210.2	208.8	212.6	212.6	206.7	201.1	224.7
Soyabean oil (US\$/M.T)	846.3	857.3	871.3	846.7	810.0	749.7	765.4	736.5	757.0	740.0	773.5	788.8
Sugar (US cents/pound) World	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Crude Petroleum(Dubai) (US\$/Barrel)	61.2	50.6	59.2	64.0	71.0	67.8	74.0	66.8	63.4	67.0	60.9	61.4

Source: World Bank

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

Country	FY18					FY19					FY20	
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
Bangladesh	5.5	6.1	5.8	5.7	5.5	5.5	5.4	5.4	5.6	5.5	5.5	5.8
India(CPI NS)	4.9	3.3	5.2	4.3	4.9	3.2	3.7	2.2	2.9	3.2	4.0	7.4
Pakistan	5.2	3.9	4.6	3.2	5.2	8.9	5.1	6.2	9.4	8.9	12.4	12.6
Sri Lanka (NCPI)	6.3	8.6	7.3	2.8	2.5	2.1	0.9	0.4	2.9	2.1	5.0	6.2

Source: Central banks and Statistics Departments of respective countries.

Note: Quarterly data indicate end quarter data

**Table III.1 : Movements in Reserve Money**

(In billion Taka)

	FY18					FY19				FY20	
	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub> <sup>P</sup>
<b>Outstanding</b>											
1. Net foreign assets of BB	2,508	2,535	2,529	2,532	2,574	2,517	2,477	2,514	2,574	2,546	2,591
2. Net domestic assets of BB	-356	-365	-407	-195	-112	-232	-130	-263	-112	-74	-82
a) Claims on public sector	89	114	123	249	336	128	234	141	336	314	370
i) Claims on govt. (net)	67	92	101	226	312	104	211	118	312	289	344
ii) Claims on other public sector	22	22	22	24	24	24	24	24	24	25	26
b) Claim on private sector	48	50	50	52	48	50	50	48	48	48	49
c) Claims on banks	53	49	51	56	52	50	59	69	52	63	59
d) Other items (net)	-545	-578	-630	-552	-547	-461	-473	-522	-547	-499	-560
3. Currency issued	1,441	1,407	1,402	1,549	1,704	1,555	1,584	1,595	1,704	1,739	1,719
i) Currency outside banks	1,328	1,291	1,281	1,409	1,543	1,410	1,447	1,446	1,543	1,579	1,566
ii) Cash in tills	113	116	120	140	161	145	137	149	161	160	153
4. Deposits of banks with BB	711	763	721	788	758	730	763	656	758	732	790
5. Reserve money (RM)	2,153	2,170	2,123	2,337	2,462	2,285	2,347	2,251	2,462	2,472	2,509
6. Money multiplier (M2/RM)	4.8	4.9	5.0	4.7	5.0	4.9	4.9	5.2	5.0	5.1	5.2
Growth in percent											
1. Net foreign assets of BB	7.6	7.6	4.3	0.8	1.6	0.4	-2.3	-0.6	1.6	1.1	4.6
2. Net domestic assets of BB	17.8	17.1	18.3	26.9	42.7	34.6	64.3	35.3	42.7	68.1	37.1
a) Claims on public sector	196.0	67.6	653.4	64.8	34.6	44.7	105.6	14.9	34.6	145.0	58.0
i) Claims on govt. (net)	569.0	89.7	4,677.3	73.9	38.2	56.2	128.0	16.8	38.2	176.7	63.5
ii) Claims on other public sector	8.0	11.9	19.5	9.7	0.5	9.9	9.9	6.5	0.5	5.0	9.2
b) Claim on private sector	0.2	1.4	1.8	3.7	-7.3	3.4	-0.2	-2.9	-7.3	-3.7	-2.2
c) Claims on Banks	1.0	0.6	-1.6	10.7	-6.9	-5.1	19.1	37.1	-6.9	25.7	-0.1
3. Currency issued	12.4	14.0	12.6	2.4	10.0	7.9	12.6	13.8	10.0	11.8	8.6
4. Deposits of banks with BB	15.5	12.0	5.8	7.4	-3.8	2.6	0.0	-9.0	-3.8	0.4	3.5
5. Reserve money (RM)	13.4	13.3	10.2	4.0	5.3	6.1	8.1	6.0	5.3	8.2	6.9

Source: Statistics Department, Bangladesh Bank.

P= Provisional.

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

	FY18				FY19	FY19				FY20	
	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>		Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub> <sup>P</sup>
<b>Outstanding</b>											
1. Net foreign assets	2,631	2,640	2,630	2,644	2,724	2,652	2,647	2,695	2,726	2,713	2,741
2. Net domestic assets	7,657	7,920	7,910	8,456	9,472	8,537	8,906	8,991	9,470	9,806	10,203
a) Domestic credit	9,133	9,525	9,642	10,217	11,469	10,341	10,803	10,963	11,459	11,832	12,406
Credit to public sector	1,121	1,055	928	1,141	1,366	1,153	1,215	1,166	1,359	1,665	1,874
Credit to govt. (net)	944	873	746	949	1,133	957	982	925	1,121	1,408	1,569
Credit to other public sector	177	183	182	192	234	196	233	241	239	257	306
Credit to private sector	8,012	8,470	8,714	9,076	10,103	9,187	9,588	9,797	10,100	10,167	10,532
b) Other items (net)	-1,477	-1,606	-1,732	-1,761	-1,997	-1,804	-1,897	-1,972	-1,989	-2,026	-2,203
3. Narrow Money	2,313	2,338	2,253	2,549	2,733	2,449	2,555	2,517	2,733	2,708	2,759
a) Currency outside banks	1,328	1,291	1,281	1,409	1,543	1,410	1,447	1,446	1,543	1,579	1,566
b) Demand deposits	985	1,046	971	1,140	1,190	1,039	1,108	1,071	1,190	1,129	1,194
4. Time deposits	7,974	8,222	8,288	8,551	9,463	8,740	8,999	9,169	9,463	9,811	10,185
5. Broad money	10,287	10,560	10,541	11,100	12,196	11,189	11,553	11,686	12,196	12,519	12,944
Growth in percent											
1. Net foreign assets	6.6	6.8	3.5	-0.6	3.0	0.8	0.3	2.4	3.1	2.3	3.6
2. Net domestic assets	11.8	12.1	11.3	12.7	12.0	11.5	12.5	13.7	12.0	14.9	14.6
a) Domestic credit	12.8	14.5	14.1	14.7	12.3	13.2	13.4	13.7	12.2	14.4	14.8
Credit to public sector	-13.5	-8.3	-13.0	-0.5	19.8	2.9	15.1	25.7	19.2	44.4	54.3
Credit to govt. (net)	-16.9	-11.5	-17.4	-2.5	19.4	1.3	12.5	24.0	18.1	47.1	59.8
Credit to other public Sector	11.1	11.4	11.7	11.2	21.6	11.0	27.6	32.2	24.3	31.1	31.3
Credit to private sector	17.8	18.1	18.0	17.0	11.3	14.7	13.2	12.4	11.3	10.7	9.8
3. Narrow money	14.9	14.3	11.2	6.2	7.2	5.9	9.3	11.7	7.2	10.6	8.0
4. Time deposits	9.2	9.7	8.7	10.2	10.7	9.6	9.4	10.6	10.7	12.3	13.2
5. Broad money	10.4	10.7	9.3	9.2	9.9	8.8	9.4	10.9	9.9	11.9	12.0

Source: Statistics Department, Bangladesh Bank.

P= Provisional.

**Table III.3: Interest Rates Developments**

Instruments	Mar. 18	Jun. 18	Sep.18	Dec.18	Mar. 19	Jun. 19	Sep.19	Dec.19
<b>T - Bills</b>								
14 - day				3.12	....	6.30	....	....
91 - day	3.23	3.67	2.23	2.18	3.48	6.78	7.78	7.01
182 - day	3.63	4.2	3.41	2.96	3.67	6.91	8.36	7.61
364 - day	4.0	4.27	3.54	3.40	4.28	7.06	8.55	8.04
<b>BGTB</b>								
2 - year	5.26	4.71	4.07	4.33	5.27	7.41	8.57	8.16
5 - year	5.82	5.98	5.34	5.35	6.35	8.05	9.13	8.93
10 - year	7.32	7.41	6.95	7.53	7.54	8.42	9.26	9.2
15-year	8.08	7.99	7.09	7.69	7.75	8.77	9.50	9.3
20-year	8.45	8.82	7.94	8.42	8.37	9.08	9.74	9.4
<b>Repo</b>								
1-3 day	6.75	6.00	6.00	6.00	6.00	6.00	6.00	6
<b>Reverse Repo</b>								
1-3 day	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
<b>Bangladesh Banks Bills</b>								
07-Day	2.98	0.17	0.02	0.02	...	...	....	....
14-Day	2.98	0.17	...	0.02	...	...	....	....
30-Day	2.97	...	...	...	...	...	....	....
Call Money Rate	4.4	3.41	4.22	4.09	4.54	4.55	5.04	4.50
<b>Lending Rate</b>								
All Banks	9.7	9.95	9.54	9.49	9.50	9.58	9.56	9.68
SOBs	7.99	7.80	6.77	6.75	6.65	6.60	6.58	6.75
SPBs	8.85	8.91	8.96	7.56	7.54	7.68	7.58	7.64
PCBs	10.2	10.56	10.27	10.27	10.30	10.80	10.43	10.48
FCBs	8.66	9.12	9.08	8.90	8.92	9.37	8.61	9.82
<b>Deposits Rate</b>								
All Banks	5.3	5.50	5.27	5.26	5.35	5.43	5.65	5.70
SOBs	4.34	4.23	4.33	4.37	4.38	4.28	4.47	4.43
SPBs	5.55	5.67	5.67	5.77	5.70	5.70	5.76	5.81
PCBs	5.9	6.23	5.84	5.82	5.96	6.08	6.36	6.38
FCBs	1.92	2.05	2.26	2.30	2.23	2.46	2.39	2.31
<b>NSD Certificate</b>								
3 - year	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04
5 - year	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76

Sources: Monetary Policy Department and Statistics Department, Bangladesh Bank  
 ... = No auction

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

Instruments	Sep.17	Dec.17	Mar. 18	Jun. 18	Sep.18	Dec.18	Mar. 19	Jun. 19	Sep.19	Dec.19
<b>Bangladesh Banks Bills</b>										
07-Day	109.7	92.7	125.5	80.5	4.5	0.0	0.0	0.0	0.0	0.0
14-Day	90.3	72.3	39.6	7.5	0	0.0	0.0	0.0	0.0	0.0
30-Day	12.1	11.0	20.4	0.0	0	0.0	0.0	0.0	0.0	0.0
<b>Sub Total</b>	<b>212.1</b>	<b>176.0</b>	<b>185.4</b>	<b>88.0</b>	<b>4.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>T - Bills</b>										
14 - day	0.0	0.0	0.0	0.0	0.0	30.0	0.0	20.0	0.0	30.0
91 - day	70.0	63.0	63.0	123.0	108.0	79.0	88.0	148	204.0	147.0
182 - day	89.0	57.0	57.0	71.0	98.0	63.0	54.0	112	189.0	198.0
364 - day	90.0	83.0	83.0	75.0	103.0	109.0	142.0	174	241.0	311.0
<b>Sub Total</b>	<b>249.0</b>	<b>203.0</b>	<b>203.0</b>	<b>269.0</b>	<b>309.0</b>	<b>251.0</b>	<b>284.0</b>	<b>454.0</b>	<b>634.0</b>	<b>686.0</b>
<b>BGTB</b>										
2 - year	88.0	88.0	92.5	100.5	115.0	130.0	120.0	145.0	177.0	212.0
5 - year	313.2	306.7	294.2	287.7	303.2	301.7	303.7	309.7	326.7	355.7
10 - year	506.5	512.5	507.5	518.5	519.5	527.6	530.6	557.6	579.1	615.8
15-year	213.7	221.7	224.7	238.7	244.7	258.7	266.7	282.7	298.7	317.7
20-year	186.9	192.9	195.9	208.9	214.9	228.9	236.9	252.9	268.9	287.9
<b>Sub Total</b>	<b>1,308.3</b>	<b>1,321.8</b>	<b>1,314.8</b>	<b>1,354.3</b>	<b>1,397.3</b>	<b>1,446.9</b>	<b>1,457.9</b>	<b>1,547.9</b>	<b>1650.4</b>	<b>1789.0</b>
NSD Certificate	2,039.3	2,150.6	2,279.5	2,377.7	2,511.8	2627.6	2,779.8	2,877.5	2924.0	2931.4
<b>Total</b>	<b>3,808.7</b>	<b>3,851.4</b>	<b>3,982.7</b>	<b>4,089.0</b>	<b>4,222.6</b>	<b>4325.5</b>	<b>4,521.6</b>	<b>4,879.4</b>	<b>5208.4</b>	<b>5406.4</b>

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

**Table IV.1 : Government Fiscal Operations**

(In billion Taka)

	FY19 <sup>E</sup>					Budget	FY20	
	FY19 <sup>E</sup>	Q1 <sup>E</sup>	Q2 <sup>E</sup>	Q3 <sup>E</sup>	Q4 <sup>E</sup>		Q1 <sup>E</sup>	Q2 <sup>E</sup>
<b>Revenue</b>	2,573.9	548.0	599.7	643.2	782.9	3,778.1	548.1	677.2
a) NBR Tax revenue	2,238.9	461.8	518.1	554.6	704.4	3,256.0	477.4	588.1
i) VAT	877.2	184.0	213.0	217.3	262.9	1,230.7	199.1	236.7
ii) Customs duties	242.8	58.9	57.4	61.3	65.1	365.5	58.9	66.1
iii) Income tax	718.0	132.1	149.3	174.0	262.5	1,139.1	148.9	172.4
iv) Others	401.0	86.8	98.4	101.9	113.9	520.7	70.5	112.9
b) Non- NBR tax revenue	72.4	16.9	12.9	23.1	19.5	145.0	12.4	16.7
c) Non- tax revenue	262.5	69.3	68.7	65.6	59.0	377.1	58.3	72.5
<b>Expenditure</b>	3,709.9	737.0	902.5	852.9	1,217.4	5,231.9	924.8	995.6
a) Current	1,776.4	520.2	482.1	449.6	324.5	2,779.3	676.1	523.5
b) ADP	1,666.6	149.3	347.2	337.6	832.5	2,027.2	173.4	393.7
c) Others	266.9	67.6	73.3	65.7	60.4	425.3	75.3	77.9
<b>Budget Deficit</b>	-1,136.1	-189.0	-302.8	-209.7	-434.5	-1,453.8	-377.7	-317.8
<b>Financing</b>	1,136.1	189.0	302.8	209.7	434.5	1,453.8	377.7	317.8
a) Domestic financing	715.2	141.6	158.2	100.5	314.9	773.6	327.5	187.7
i) Bank financing	170.7	5.0	26.7	-55.8	194.8	473.6	271.1	158.2
ii) Non-bank financing	544.5	136.5	131.5	156.3	120.2	300.0	55.4	29.5
b) Foreign financing*	420.8	47.5	144.7	109.2	119.6	680.2	49.7	130.2
	In Percentage of GDP							
<b>Revenue</b>	10.1	2.2	2.4	2.5	3.1	13.1	1.9	2.3
a) NBR Tax revenue	8.8	1.8	2.0	2.2	2.8	11.3	1.7	2.0
i) VAT	3.5	0.7	0.8	0.9	1.0	4.3	0.7	0.8
ii) Customs duties	1.0	0.2	0.2	0.2	0.3	1.3	0.2	0.2
iii) Income tax	2.8	0.5	0.6	0.7	1.0	3.9	0.5	0.6
iv) Others	1.6	0.3	0.4	0.4	0.4	1.8	0.2	0.4
b) Non-NBR tax revenue	0.3	0.1	0.1	0.1	0.1	0.5	0.0	0.1
c) Non tax revenue	1.0	0.3	0.3	0.3	0.2	1.3	0.2	0.3
<b>Expenditure</b>	14.6	2.9	3.5	3.4	4.8	18.1	3.2	3.4
a) Current	7.0	2.0	1.9	1.8	1.3	9.6	2.3	1.8
b) ADP	6.6	0.6	1.4	1.3	3.3	7.0	0.6	1.4
c) Others	1.0	0.3	0.3	0.3	0.2	1.5	0.3	0.3
<b>Budget Deficit</b>	-4.5	-0.7	-1.2	-0.8	-1.7	-5.0	-1.3	-1.1
<b>Financing</b>	4.5	0.7	1.2	0.8	1.7	5.0	1.3	1.1
a) Domestic financing	2.8	0.6	0.6	0.4	1.2	2.7	1.1	0.7
i) Bank financing	0.7	0.0	0.1	-0.2	0.8	1.6	0.9	0.5
ii) Non-bank financing	2.1	0.5	0.5	0.6	0.5	1.0	0.2	0.1
b) Foreign financing	1.7	0.2	0.6	0.4	0.5	2.4	0.2	0.5
<b>Memorandum item</b>								
<b>GDP at current market price</b>	<b>25424.8</b>	<b>25424.8</b>	<b>25424.8</b>	<b>25424.8</b>	<b>25424.8</b>	<b>28858.7</b>	<b>28858.7</b>	<b>28858.7</b>

Sources: Budget Summary , Ministry of Finance; NBR; Bangladesh Bank; BBS

\* = include grants, E=Estimates

**Table V.1: Balance of Payments**

(In million USD)

	FY19 <sup>P</sup>					FY20 <sup>P</sup>	
	FY19 <sup>P</sup>	Q <sub>1</sub> <sup>R</sup>	Q <sub>2</sub> <sup>R</sup>	Q <sub>3</sub> <sup>R</sup>	Q <sub>4</sub> <sup>P</sup>	Q <sub>1</sub> <sup>P</sup>	Q <sub>2</sub> <sup>P</sup>
<b>Current Account Balance</b>	<b>-5,254</b>	<b>-1,316</b>	<b>-2,072</b>	<b>-858</b>	<b>-1,008</b>	<b>-765</b>	<b>-582</b>
Trade balance	-	-3,852	-3,948	-4,127	-3,567	-3,768	-4454
	15,494						
Export f.o.b.	39,945	9,747	10,276	10,417	9,505	9,484	9360
Import f.o.b.	55,439	13,599	14,224	14,544	13,072	13,252	13814
Services	-3,715	-761	-863	-1,067	-1,024	-901	-748
Credit	6,786	1,597	1,881	1,592	1,716	1,515	2115
Debit	10,501	2,358	2,744	2,659	2,740	2,416	2863
Primary Income	-2,930	-647	-1,048	-131	-1,104	-717	-444
Credit	178	35	51	50	42	53	45
Debit	3,108	682	1,099	181	1,146	770	489
Secondary Income	16,885	3,944	3,787	4,467	4,687	4,621	5064
Official Transfers	23	10	6	4	3	2	8
Private Transfers	16,862	3,934	3,781	4,463	4,684	4,619	5056
Of which : workers' remittances	16,196	3,869	3,514	4,318	4,719	4,519	4772
<b>Capital &amp; Financial Account</b>	<b>5,861</b>	<b>1,367</b>	<b>1,740</b>	<b>1,387</b>	<b>1,477</b>	<b>407</b>	<b>1516</b>
Capital account	233	58	76	54	45	28	101
Capital transfers	233	58	76	54	45	28	101
Financial account	5,628	1,309	1,664	1,333	1,432	379	1415
Foreign direct investment (Gross Inflows)	4,501	1,032	1,609	256	2,049	1,105	1640
Of which: FDI net inflow*	2,540	599	726	14	1,311	642	717
Portfolio investment	172	29	43	75	25	36	1
Of which : workers' remittances	224	62	50	56	56	62	50
Other investment	2,916	681	895	1,244	96	-299	697
Medium and long-term (MLT) loans	5,954	928	1,807	1,579	1,640	901	1673
MLT amortization payments	1,202	330	263	253	356	343	290
Other long term loans	666	284	172	450	-240	125	-74
Other short term loans	209	638	-66	446	-809	55	533
Trade credit	-2,903	-483	-569	-1,268	-583	-550	-839
DMBs and NBDCs	192	-356	-186	290	444	-487	-306
Assets	366	250	295	4	-183	224	111
Liabilities	558	-106	109	294	261	-263	-195
Net Errors & Omissions	-595	-209	-23	-342	-131	154	-703
<b>Overall Balance</b>	<b>12</b>	<b>-158</b>	<b>-355</b>	<b>187</b>	<b>338</b>	<b>-204</b>	<b>231</b>
<b>Reserve Assets</b>	<b>-12</b>	<b>158</b>	<b>355</b>	<b>-187</b>	<b>-338</b>	<b>204</b>	<b>-231</b>
Bangladesh Bank	-12	158	355	-187	-338	204	-231
Assets	-322	-896	221	-376	729	-760	676
Liabilities	-334	-738	576	-563	391	-556	445
<b>Memorandum Items</b>							
Gross official reserves	32,550	31,958	32,016	31,753	32,550	31,832	32,689
In months of imports of goods & services	5.9	6.0	5.7	5.5	6.2	6.1	5.9
In months of prospective imports	5.5	5.6	5.2	5.1	5.7	5.7	5.4
Export growth (in percent) <sup>1</sup>	10.1	14.0	12.5	10.0	4.1	-2.7	-8.9
Import growth (in percent) <sup>1</sup>	1.8	11.5	0.8	4.0	-7.7	-2.6	-2.9
Remittances growth (in percent) <sup>1</sup>	9.6	15.9	0.6	14.2	13.1	16.5	35.3

Source: Statistics Department, Bangladesh Bank.

R=Revised, P=Provisional.

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

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

Items	FY19					FY20	
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
1. Raw jute	112	33	33	30	17	33	55
2. Jute goods	704	184	171	177	171	188	236
3. Tea	3	1	1	1	1	1	1
4. Leather	165	41	49	44	30	31	35
5. Frozen shrimps and fish	425	125	133	92	75	111	150
6. Woven garments	17,245	3,985	4,447	4,718	4,094	3,887	3,931
7. Knitwear products	16,889	4,207	4,446	4,148	4,088	4,170	4,036
8. Fertilizer	0	0	0	0	0	0	0
9. Terry towels	51	13	17	12	8	11	10
10. Others	4,942	1,352	1,261	1,181	1,148	1,217	1,201
<b>Total exports</b>	<b>40,535</b>	<b>9,941</b>	<b>10,559</b>	<b>10,403</b>	<b>9,632</b>	<b>9,648</b>	<b>9,654</b>
Of which: exports from EPZ	6,030	1,445	1,515	1,523	1,546	1,427	1,497
<b>Total exports (adjusted)</b>	<b>39,945</b>	<b>9,747</b>	<b>10,416</b>	<b>10,276</b>	<b>9,505</b>	<b>9,484</b>	<b>9,360</b>

Source : Export Promotion Bureau, Bangladesh  
R=Revised, P= Provisional.

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

	FY19					FY20	
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
<b>Exports of RMG</b>	<b>34,133</b>	<b>8,192</b>	<b>8,893</b>	<b>8,867</b>	<b>8,182</b>	<b>8,058</b>	<b>7,967</b>
European Countries	22,008	5,284	5,677	5,780	5,267	5,097	5,102
USA	6,134	1,484	1,608	1,506	1,535	1,491	1,488
Other Countries	5,991	1,423	1,608	1,580	1,380	1,470	1,377
<b>Woven Garments</b>	<b>17,245</b>	<b>3,985</b>	<b>4,447</b>	<b>4,718</b>	<b>4,094</b>	<b>3,887</b>	<b>3,931</b>
European Countries	9,566	2,171	2,384	2,766	2,245	2,061	2,091
USA	4,619	1,097	1,217	1,162	1,143	1,085	1,104
Other Countries	3,060	717	847	790	705	742	736
<b>Knitwear Products</b>	<b>16,889</b>	<b>4,207</b>	<b>4,446</b>	<b>4,148</b>	<b>4,088</b>	<b>4,170</b>	<b>4,036</b>
European Countries	12,442	3,113	3,293	3,014	3,022	3,037	3,011
USA	1,515	387	392	344	392	406	384
Other Countries	2,931	706	761	790	674	728	640
Growth in percent							
<b>Exports of RMG</b>	<b>11.5</b>	<b>14.7</b>	<b>16.6</b>	<b>10.0</b>	<b>5.2</b>	<b>-1.6</b>	<b>-10.4</b>
European Countries	9.9	11.2	9.0	7.2	12.9	-3.5	-10.1
USA	14.6	13.6	24.3	13.3	7.9	0.5	-7.5
Other Countries	14.2	31.3	42.5	18.0	-18.5	3.3	-14.4
<b>Woven Garments</b>	<b>11.8</b>	<b>17.3</b>	<b>17.6</b>	<b>8.8</b>	<b>4.6</b>	<b>-2.4</b>	<b>-11.6</b>
European Countries	8.1	11.6	5.9	5.5	10.5	-5.1	-12.3
USA	16.1	16.8	28.9	12.5	7.6	-1.1	-9.3
Other Countries	17.7	39.6	44.7	16.0	-13.8	3.4	-13.1
<b>Knitwear Products</b>	<b>11.2</b>	<b>12.3</b>	<b>15.5</b>	<b>11.3</b>	<b>5.7</b>	<b>-0.9</b>	<b>-9.2</b>
European Countries	11.4	10.8	11.4	8.7	14.8	-2.5	-8.6
USA	10.2	5.3	11.9	16.0	8.7	4.8	-1.9
Other Countries	10.8	23.8	40.2	20.1	-23.0	3.1	-15.9

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

**Table V.4: Export Performance for July-December 2019-20**

(In million USD)

	Export target for 2019-20	Strategic Target for July-December 2019-20	Export Performance for July-December 2019-20	Export Performance for July-December 2018-19	% Change of export performance over Export target	% Change of export performance July-December 2019-20 Over July-December 2018-19
<b>All Products (A+B)</b>	<b>45,500</b>	<b>22,127</b>	<b>19,302</b>	<b>20,500</b>	-13	-6
<b>A. Primary Commodities:</b>	<b>1,640</b>	<b>798</b>	<b>814</b>	<b>832</b>	2	-2
Frozen Food	520	253	291	315	15	-8
Agricultural Products	1,120	545	524	518	-4	1
<b>B. Manufactured Commodities:</b>	<b>43,860</b>	<b>21,329</b>	<b>18,488</b>	<b>19,668</b>	-13	-6
Cement salt stone etc.	11	5	5	6	-2	-13
Ores, Slag and Ash	10	5	9	4	87	110
Petroleum bi Products	300	146	13	173	-91	-93
Chemical products	282	137	110	107	-20	2
Plastic, Melamine Products	150	73	57	57	-22	1
Rubber	30	15	15	11	0	32
Leather & Leather products (including leather footwear)	1,093	532	476	532	-10	-11
Wood and Wood Products	4	2	1	2	-39	-45
Handicrafts	25	12	11	11	-8	3
Pulp	0	0	0	0	0	0
Paper and Paper Products	90	44	46	40	5	7
Printed Materials	1	0	0	0	-29	-27
Silk	0	0	0	0	800	0
Wool and woolen Products	1	0	0	0	-97	0
Cotton and Cotton Products	190	92	81	72	-13	12
Jute and Jute Goods	824	401	512	421	28	22
Man Made Filaments and Staple Fibers	150	73	61	60	-16	2
Carpet	22	11	12	10	8	13
Specialized Textiles	186	90	66	72	-27	-9
Knitwear	18,850	9,167	8,206	8,653	-10	-5
Woven Garments	19,350	9,410	7,818	8,432	-17	-7
Home Textile	891	433	370	409	-15	-9
Other Footwear (excluding leather footwear)	320	156	157	127	1	24
Headgear/Cap	250	122	113	103	-7	9
Umbrella Waking Sticks	0	0	0	0	0	0
Wigs and Human Hair	38	18	15	15	-21	-3
Building Materials	2	1	1	1	10	26
Ceramic Products	90	44	18	51	-59	-65
Glass and Glass ware	2	1	2	0	67	260
Engineering Products	369	179	168	172	-6	-2
Ships, boats & floating structures	5	2	0	0	-93	13
Other Manufactured Products	325	158	146	124	-7	18

Source: Export Promotion Bureau, Bangladesh.

**Table V.5 : Trends in the Commodity Composition of Imports**  
(In million USD)

Items	FY19				FY20			
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>	
<b>A. Food Grains</b>	<b>1,552</b>	<b>344</b>	<b>370</b>	<b>480</b>	<b>357</b>	<b>286</b>	<b>472</b>	
1. Rice	115	43	27	32	13	3	11	
2. Wheat	1,437	301	343	448	344	283	461	
<b>B. Other Food Items</b>	<b>3,516</b>	<b>807</b>	<b>810</b>	<b>1,036</b>	<b>863</b>	<b>740</b>	<b>789</b>	
3. Milk & cream	361	85	63	113	101	78	69	
4. Spices	327	96	58	83	91	92	75	
5. Edible oil	1,656	401	467	449	340	328	398	
6. Pulses (all sorts)	470	69	74	155	172	116	88	
7. Sugar	703	157	149	237	160	125	159	
<b>C. Consumer &amp; Intermediate Goods</b>	<b>33,608</b>	<b>8,356</b>	<b>8,813</b>	<b>8,432</b>	<b>8,007</b>	<b>8,300</b>	<b>8,511</b>	
8. Clinker	993	189	263	307	235	206	262	
9. Crude petroleum	416	87	117	110	101	216	180	
10. POL	4,562	1,146	1,098	1,103	1,215	1,160	829	
11. Oil seeds	796	186	111	242	258	212	208	
12. Chemicals	2,472	631	627	616	598	660	659	
13. Pharmaceutical products	246	60	58	67	61	78	92	
14. Fertilizer	1,301	308	604	302	87	349	396	
15. Dyeing and tanning materials	779	206	192	184	197	189	190	
16. Plastics and rubber articles thereof	2,757	708	709	647	694	722	724	
17. Raw cotton	3,082	870	791	778	643	777	748	
18. Yarn	2,445	658	590	625	572	460	484	
19. Textile and articles thereof	7,284	1,741	1,987	1,759	1,798	1,569	2,009	
20. Staple fiber	1,228	297	338	310	283	283	320	
21. Iron, steel & other base metals	5,246	1,270	1,327	1,384	1,265	1,421	1,410	
<b>D. Capital Goods &amp; Others</b>	<b>14,602</b>	<b>3,668</b>	<b>3,609</b>	<b>3,890</b>	<b>3,435</b>	<b>3,429</b>	<b>3,242</b>	
22. Capital machinery	5,413	1,384	1,379	1,580	1,070	1,116	1,038	
23. Others Capital goods	9,189	2,284	2,230	2,310	2,365	2,313	2,204	
<b>E. Others n.i.e</b>	<b>6,637</b>	<b>1,523</b>	<b>1,770</b>	<b>1,879</b>	<b>1,464</b>	<b>1,570</b>	<b>1,912</b>	
<b>Grand Total c.i.f.(A+B+C+D+E)</b>	<b>59,915</b>	<b>14,698</b>	<b>15,373</b>	<b>15,718</b>	<b>14,126</b>	<b>14,324</b>	<b>14,926</b>	
Of which Import by EPZ	4,032	993	1,037	1,060	942	885	1,048	
<b>Grand Total f.o.b.(adjusted)</b>	<b>55,439</b>	<b>13,599</b>	<b>14,224</b>	<b>14,544</b>	<b>13,072</b>	<b>13,252</b>	<b>13,814</b>	

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

**Table V.6 Sector wise comparative statement of the Opening and Settlement of Import LCs**  
(In million USD)

	FY19								FY20	
	Q <sub>1</sub>		Q <sub>2</sub>		Q <sub>3</sub>		Q <sub>4</sub>		Q <sub>1</sub> *	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	1,392	1,237	1,436	1,433	1,742	1,523	1,417	1,828	1,041	1,113
Industrial raw materials	5,002	4,697	5,034	4,902	4,915	5,133	4,565	4,332	2,738	2,908
Intermediate goods	1,451	1,091	2,158	1,762	1,514	1,305	1,268	1,373	756	822
Petroleum and petroleum products	1,277	1,068	798	959	733	783	1,354	928	694	347
Capital machinery	1,216	1,243	1,170	1,163	1,367	1,206	920	1,058	700	689
Machinery for misc. industries	1,884	1,327	1,428	1,369	1,798	1,435	1,482	1,508	1,242	831
Others	2,534	2,170	2,541	2,899	2,876	2,513	2,482	2,395	1,855	1,757
<b>Total</b>	<b>14,755</b>	<b>12,832</b>	<b>14,566</b>	<b>14,488</b>	<b>14,945</b>	<b>13,899</b>	<b>13,488</b>	<b>13,423</b>	<b>9,026</b>	<b>8,467</b>
<i>of which back to back</i>	2,332	2,130	2,066	2,009	2,040	1,994	1,758	1,856	1,334	1,316
	Growth in percent									
Consumer goods	-51.4	-28.2	-24.7	-32.1	-12.7	-30.3	38.4	46.8	-25.2	-10.0
Industrial raw materials	13.5	11.4	3.3	9.7	-3.8	8.2	21.0	27.8	-45.3	-38.1
Intermediate goods	29.9	21.3	86.9	73.5	4.7	22.3	64.8	56.9	-47.9	-24.6
Petroleum and petroleum products	24.7	78.6	36.0	20.8	-29.7	-7.7	66.0	27.5	-45.7	-67.5
Capital machinery	-8.0	-3.4	-40.7	-6.6	-27.8	-17.2	-8.3	29.1	-42.4	-44.6
Machinery for misc. industries	7.6	8.8	-9.2	9.4	40.7	10.8	63.1	80.3	-34.1	-37.4
Others	14.0	14.9	-81.1	48.8	14.7	16.9	54.7	61.4	-26.8	-19.0
<b>Total</b>	<b>0.3</b>	<b>8.5</b>	<b>-42.9</b>	<b>12.9</b>	<b>-4.9</b>	<b>1.1</b>	<b>42.8</b>	<b>43.1</b>	<b>-38.8</b>	<b>-34.0</b>
<i>of which back to back</i>	15.4	13.9	-2.0	8.8	-11.9	-3.0	20.8	37.6	-42.8	-38.2

Source: Foreign Exchange Operation Department, Bangladesh Bank.

\*= Up to August

**Table V.7: Country-wise Workers' Remittances**  
(In million USD)

Countries	FY19				FY20		
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub> <sup>R</sup>	Q <sub>2</sub> <sup>P</sup>
<b>Gulf Region</b>	<b>9,674</b>	<b>2,287</b>	<b>2,119</b>	<b>2,579</b>	<b>2,690</b>	<b>2,670</b>	<b>2,779</b>
1. Saudi Arabia	3,110	727	696	818	869	947	1,007
2. UAE	2,540	607	544	714	675	625	715
3. Qatar	1,024	251	229	254	290	285	276
4. Oman	1,066	262	220	277	308	319	308
5. Kuwait	1,463	317	317	402	427	378	368
6. Bahrain	470	123	112	114	121	117	104
<b>Euro Region</b>	<b>1,236</b>	<b>266</b>	<b>263</b>	<b>364</b>	<b>344</b>	<b>352</b>	<b>412</b>
7. UK	1,176	255	249	345	327	338	398
8. Germany	61	11	14	18	17	14	15
<b>Asia Pacific Region</b>	<b>1,615</b>	<b>392</b>	<b>356</b>	<b>418</b>	<b>449</b>	<b>440</b>	<b>461</b>
9. Singapore	368	89	76	95	108	108	125
10. Japan	50	9	10	18	12	14	12
11. Malaysia	1,198	294	270	305	328	319	324
<b>Rest of the World</b>	<b>3,894</b>	<b>925</b>	<b>888</b>	<b>1,013</b>	<b>1,068</b>	<b>1,057</b>	<b>1,236</b>
12. USA	1,843	446	419	468	510	490	612
13. Others n.i.e.	2,051	478	469	545	558	567	625
<b>Total</b>	<b>16,420</b>	<b>3,869</b>	<b>3,627</b>	<b>4,374</b>	<b>4,551</b>	<b>4,519</b>	<b>4,889</b>

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

**Table V.8 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
<b>2017-18</b>	82.10	83.73	110.61	109.50	97.99	96.86	0.74	0.76
July	80.63	80.66	104.80	105.95	92.83	94.79	0.72	0.73
August	80.69	80.70	104.69	104.31	95.37	95.90	0.73	0.73
September	80.74	80.80	107.21	108.17	96.14	94.90	0.73	0.72
October	80.82	80.86	106.82	106.82	95.10	94.21	0.72	0.71
November	81.26	82.30	107.45	110.35	95.33	97.50	0.72	0.74
December	82.55	82.70	110.59	111.76	97.69	99.22	0.73	0.73
January	82.82	82.90	114.21	117.27	100.81	102.81	0.75	0.76
February	82.92	82.96	115.89	115.39	102.40	101.48	0.77	0.77
March	82.96	82.96	115.87	116.79	102.32	102.11	0.78	0.78
April	82.97	82.98	116.81	114.35	101.97	100.65	0.77	0.76
May	83.38	83.70	112.28	111.25	98.51	97.62	0.76	0.77
June	83.70	83.73	111.30	109.50	97.79	96.86	0.76	0.76
<b>2018-19</b>								
July	83.75	83.75	110.40	109.99	97.90	98.04	0.75	0.75
August	83.75	83.75	107.86	109.10	96.74	98.05	0.75	0.75
September	83.75	83.75	109.22	109.13	97.58	97.23	0.75	0.74
October	83.82	83.85	109.23	106.54	96.33	95.12	0.74	0.74
November	83.87	83.90	108.22	107.35	95.34	95.59	0.74	0.74
December	83.90	83.90	106.36	106.61	95.33	95.96	0.75	0.76
January	83.94	83.95	108.17	110.11	95.89	96.36	0.77	0.77
February	84.04	84.15	109.26	111.51	95.43	95.83	0.76	0.76
March	84.21	84.25	111.12	109.80	95.27	94.51	0.76	0.76
April	84.33	84.45	109.91	109.26	94.77	94.47	0.76	0.76
May	84.49	84.50	108.67	106.70	94.52	94.06	0.77	0.77
June	84.50	84.50	107.05	107.27	95.30	96.08	0.78	0.78
<b>2019-20</b>								
July	84.50	84.50	105.49	102.68	94.82	94.26	0.78	0.78
August	84.50	84.50	102.76	103.18	94.03	93.60	0.79	0.80
September	84.50	84.50	104.30	103.84	93.03	92.43	0.79	0.78
October	84.67	84.75	106.96	109.35	93.54	94.50	0.78	0.78
November	84.78	84.90	109.20	109.63	93.73	93.47	0.78	0.78
December	84.90	84.90	111.05	111.34	94.25	95.08	0.78	0.78

Source: Statistics Department, Bangladesh Bank.

**Table V.9 Trends in Foreign Aid**  
(In million USD)

	FY19 <sup>P</sup>				FY20 <sup>P</sup>		
	FY19	Q <sub>1</sub> <sup>R</sup>	Q <sub>2</sub> <sup>R</sup>	Q <sub>3</sub> <sup>P</sup>	Q <sub>4</sub> <sup>P</sup>	Q <sub>1</sub> <sup>P</sup>	Q <sub>2</sub> <sup>P</sup>
a. Grants (i+ii)	256	69	81	58	48	31	109
i) Food Aid	6	6	0	0	0	0	0
ii) Project Aid	250	63	81	58	48	31	109
b. Loans (MLT)	5,954	928	1,807	1,579	1,640	900	1,673
A. Total (a+b)	6,210	997	1,888	1,637	1,689	931	1,782
B. Amortization(1+2)	1,565	443	304	464	353	495	349
1) Principal	1,178	330	240	330	279	352	278
2) Interest	387	114	64	135	74	144	72
C. Net Foreign Financing (A-1)	<b>5,032</b>	<b>667</b>	<b>1,648</b>	<b>1,307</b>	<b>1,409</b>	<b>579</b>	<b>1,504</b>

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

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

Type of Banks	2018				2019			
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun	Sep	Dec.
State Owned Commercial Banks	29.8	28.2	31.2	30.0	32.2	31.6	31.5	23.9
Specialized Banks	23.4	21.7	21.7	19.5	19.5	17.8	17.8	15.1
Private Commercial Banks	6.0	6.0	6.7	5.5	7.1	7.1	7.43	5.8
Foreign Commercial Banks	7.0	6.7	7.1	6.5	6.2	5.5	6.0	5.7
<b>All Banks</b>	<b>10.8</b>	<b>10.4</b>	<b>11.5</b>	<b>10.3</b>	<b>11.9</b>	<b>11.7</b>	<b>12.0</b>	<b>9.3</b>

Source: Banking Regulation and Policy Department, Bangladesh Bank.

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

Type of Banks	2018				2019			
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun	Sep	Dec.
State Owned Commercial Banks	14.4	11.7	14.3	11.3	11.2	8.7	15.2	6.3
Specialized Banks	9.1	7.4	7.4	5.7	5.7	4.6	4.6	3.0
Private Commercial Banks	1.0	0.8	1.1	0.4	1.5	1.5	1.5	-0.1
Foreign Commercial Banks	0.8	0.8	1.1	0.7	0.6	0.1	0.2	0.2
<b>All Banks</b>	<b>3.3</b>	<b>2.7</b>	<b>3.3</b>	<b>2.2</b>	<b>3.0</b>	<b>2.5</b>	<b>3.7</b>	<b>1.0</b>

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	2018				2019			
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
State Owned Commercial Banks	2.9	2.0	6.1	1.9	6.9	8.5	7.7	5.0
Specialized banks	-33.7	-31.9	-14.0	-31.7	-31.7	-31.2	-31.6	-32.0
Private Commercial Banks	12.1	12.2	12.2	12.8	12.7	12.7	12.9	13.6
Foreign Commercial Banks	24.6	23.0	26.7	26.0	28.0	28.7	25.1	24.5
<b>All Banks</b>	<b>10.1</b>	<b>10.0</b>	<b>10.9</b>	<b>10.5</b>	<b>11.4</b>	<b>11.7</b>	<b>11.7</b>	<b>11.6</b>

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)		
	2017	2018	2019	2017	2018	2019
State Owned Commercial Banks	0.2	-1.3	-0.6	3.5	-29.6	-13.7
Specialized Banks	-3.5	-2.8	-3.3	-17.2	-13.5	-17.0
Private Commercial Banks	0.9	0.8	0.8	12.0	11.0	11.2
Foreign Commercial Banks	2.2	2.2	2.3	11.3	12.4	13.4
<b>All Banks</b>	<b>0.7</b>	<b>0.3</b>	<b>0.4</b>	<b>9.6</b>	<b>3.9</b>	<b>6.8</b>

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

**Table VII.1 : Indicators of Capital Market Developments**

	FY19				FY20		
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
Number of listed securities <sup>1</sup>	363	354	357	360	363	365	366
Issued equity and debt (billion Taka)	720	680	694	699	720	731	746
Market capitalization (billion Taka)	3,437	3,299	3,321	3,565	3,437	3,175	2,845
Turnover (billion Taka)	223	450	331	455	223	248	211
DSE broad index	5,422	5,369	5,386	5,492	5,422	4,948	4,453
DSE -30 index	1,929	1,890	1,881	1,967	1,929	1,760	1,512
	Growth in percent						
Number of listed securities	3.4	3.2	2.6	3.2	3.4	3.1	2.5
Issued equity and debt	7.3	8.0	7.5	7.7	7.3	7.5	7.5
Market capitalization	5.3	-6.2	-9.5	5.9	5.3	-3.8	-14.3
Turnover	-86.0	-25.6	-23.6	86.1	-27.4	-44.8	-36.2
DSE broad index	0.3	-11.9	-13.8	-1.9	0.3	-7.8	-17.3
DSE -30 index	-1.6	-13.2	-17.6	-6.6	-1.6	-6.9	-19.6

Source: Dhaka Stock Exchange

<sup>1</sup> Include debenture but exclude govt. bond.

<sup>2</sup> DSE broad index and DSE 30 index start from January 28, 2013.

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

Name of Group	FY19					FY20	
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>
Banks	593.0	561.6	583.1	596.6	593.0	564.4	539.6
Financial Institutions	181.8	193.3	191.5	189.9	181.8	157.1	144.7
Mutual Funds	35.6	34.9	34.5	34.9	35.6	33.1	30.7
Engineering	202.6	201.4	190.7	190.3	202.6	180.5	147.9
Food & Allied Product	314.4	262.3	276.7	340.1	314.4	266.2	222.1
Fuel and Power	480.0	450.6	432.2	500.1	480.0	424.7	386.6
Jute Industry	4.0	1.5	4.7	4.4	4.0	3.4	2.5
Textile Industry	140.1	129.7	141.7	133.5	140.1	107.1	105.7
Pharmaceuticals and Chemicals	528.3	489.9	508.8	530.7	528.3	520.5	473.2
Paper and Printing	14.5	22.3	17.4	14.5	14.5	11.3	10.0
Services and Real Estate	17.8	19.2	18.0	18.1	17.8	15.3	13.5
Cement Industry	90.5	114.4	102.0	100.9	90.5	78.6	68.9
Insurance	109.2	100.8	103.1	10.1	109.2	112.9	113.4
Telecommunication	514.2	513.0	511.4	578.4	514.2	496.0	401.4
Miscellaneous	207.3	200.8	202.4	318.6	207.3	200.6	182.0
Corporate Bond	2.9	2.8	2.8	2.9	2.9	2.8	2.8
<b>Total Market Capitalization</b>	<b>3,436.2</b>	<b>3,298.6</b>	<b>3,320.8</b>	<b>3,564.1</b>	<b>3,436.2</b>	<b>3,174.5</b>	<b>2,844.9</b>

Source: Dhaka Stock Exchange.

<sup>1</sup> Quarterly growth rate refers growth over the same quarter of the previous year.

# **ANNEXUR**

### Policy Announcements: October-December, 2019

<p>BRPD Circular Letter No. 22 October 02, 2019 Rate of interest on import financing of onion.</p>	<p>All the scheduled banks are instructed to fix the interest rate for financing onion imports at 9 percent with a view to containing the price spiral of onion. The banks are also advised to set a lower margin for opening letters of credit (LCs) for onion import.</p>
<p>FEPD Circular No. 38 October 03, 2019 Release of foreign exchange for attending seminar, conference, workshop, training etc. abroad</p>	<p>For the convenience of private sector participants for attending seminar, conference, workshop, training etc. abroad irrespective of countries or regions, Authorized Dealers (ADs) are allowed to release foreign exchange to them at the scale of upto USD 400 (four hundred) per diem for the actual period of program to be held along with 01 (One) additional day as transit on the basis of invitation letters received in the name of the applicants or their employer institutions.</p>
<p>FEPD Circular No. 39 October 10, 2019 Special export subsidy against export of Readymade garments (RMG)</p>	<p>Producers-exporters producing readymade garments at their own workshop for export shall enjoy 1 (one) percent export subsidy on net FOB value. In this regard, the rate of local value addition must be a minimum of 30 percent for these products. The corresponding privilege is also admissible for the Type-C institutions under local ownership located in special zones (EPZ, EZ) for export to the EU, the USA and Canada. However, the fund to be offered as cash incentive is realizable if found availing the privilege violating rules.</p>
<p>PSD Circular Letter No. 03 October 21, 2019 Regarding implementation of the Upgraded Version of Bangladesh Automated Clearing House</p>	<p>Subject to the compliance of “BACPS Operating Rules &amp; Procedure” and circulars/circular letters issued by Bangladesh Bank related to BACH, cheque clearing procedure shall be carried out through local currency. EFT transaction shall constitute two sessions each day. The first session shall be from 12:01 am to 2:00 pm and the second one from 2:01 pm to 11.59 pm. The scheduled banks shall place separate files for debit and credit transactions instead of submitting single file for both transactions. Return function shall have to be accomplished within Next Available Session in case of debit and credit transactions. Except these transactions, other EFT transactions shall have to be conducted through existing “BEFTN Operating Rules” and related circular/circular letter issued by BB.</p>
<p>FEPD Circular Letter No. 25 October 27, 2019 Export subsidy in favor of Type-C industries in Economic Zone/High-tech Park.</p>	<p>Subject to 30 percent local value addition against the export of related products produced in Type-C industries (under indigenous ownership) in Economic Zone/High-tech Park, 4 percent new products/new market expansion assistance, irrespective of country/region, shall be applied in the current FY 2019-20 against their export.</p>
<p>BRPD Circular No. 07 October 31, 2019 Master Circular on Schedule of Charges</p>	<p>For savings account, no account maintenance fee (AMF) is allowed to realize for up to weighted average balance of Tk 10,000. Biannual AMF for weighted average balance of above Tk 10,000 to Tk 25,000 is fixed at Tk 100, for that of above 25,000 to 2,00,000 at Tk 200, above 2,00,000 to 10,00,000 at Tk 250 and for beyond 10,00,000 at Tk 300. AMF for Current Accounts is permitted to charge maximum of Tk 300 half yearly.</p>
<p>FEPD Circular Letter No. 28 November 17, 2019 Operations of foreign currency accounts and taka accounts for</p>	<p>ADs may credit legitimate receipts against short weight claim, quality claim, freight charge of sample, insurance claims, reimbursement of expenses for samples from buyers or parents etc. received in foreign currency or local currency accounts of the enterprises. ADs shall</p>

enterprises of Export Processing Zones (EPZs), Economic Zones (EZs) and Hi-Tech Parks (HTPs)	observe due diligence in compliance with KYC, AML/CFT standards while crediting accounts under the above mentioned grounds based on documentary evidences
FEPD Circular No. 44 November 19, 2019 Interest rate on borrowing from Export Development Fund (EDF).	Interest rates on EDF loans to ADs will be charged by Bangladesh Bank at six-month USD LIBOR + 0.50%, while ADs will charge interest to manufacturer-exporters at six-month USD LIBOR + 1.50%; for disbursements until June 30, 2020 from the date of this circular.
BRPD Circular Letter No. 25 November 19, 2019 Prudential Regulations for Consumer Financing (Regulation for House finance)	The maximum per party limit in respect of housing finance by the banks will be Tk.20 (Twenty) million. The housing finance facility shall be provided at a maximum debt equity ratio of 70:30.
FEPD Circular Letter No. 29 November 20, 2019 Regarding Cash Incentive on Wage Earners Remittance	Two (2) percent cash incentive shall be admissible against the inflows of remittance of maximum US dollars \$1,500/ equivalent to other foreign currencies/ Tk 150,000 (one lac fifty thousand) without any documents requirements. And for expatriates required to submit documents, the timeframe for submission is extended to 15 working days from that of earlier 5 days.
FEPD Circular Letter No. 30 November 24, 2019 Use of International Cards from Bangladesh for online payments abroad.	Online Transaction Authorization Form (OTAF) formalities for online payments abroad through ICs are waived. In this context, it is advised that ADs shall take necessary arrangements to guard against illegitimate online payments abroad through ICs from Bangladesh like payments for participating in online casino/gambling, trading in forex/stock exchanges, purchase of crypto currencies/lottery ticket, purchase of goods/services originated in Bangladesh, etc. ADs shall strictly observe KYC and AML/CFT standards, follow usual reporting routine to Bangladesh Bank, and ensure compliance of regulations concerning duties/taxes applicable against the transactions.
FEPD Circular No. 45 November 25, 2019 Advance Payment against imports-liberalization/relaxation.	Advance payment limit against admissible imports is enhanced to USD 10,000.00 (ten thousand) from USD 5,000.00 (five thousand) or equivalent other foreign currency;.
PSD Circular No. 06 December 02, 2019 About crediting beneficiaries MFS account with proceeds of foreign remittance including subsequent cash incentives.	Foreign remittance of maximum Tk 1,25,000 (one lac twenty five thousand), including 2 percent cash incentive, inflowed through the banking channel is now allowed to be deposited by the banks to the beneficiaries MFS account. This transaction benefit is admissible only for foreign remittance through proper banking channel.
FEPD Circular No. 46 December 04, 2019 Relaxation on Quarterly Repayment for imports under supplier's/buyer's credit.	Bullet repayment is made permissible for import of raw materials by industrial units for their own use under supplier's/buyer's credit regardless of shipment value.
FEPD Circular No. 47 December 05, 2019 Transfer of remunerations to Foreign Currency (FC) accounts in the names of foreign nationals	Net income of foreign nationals employed in branch offices/liaison offices of foreign companies duly approved by BIDA is allowed to be credited to their FC accounts. In this context, ADs shall observe the following instructions: (a) Admissible remuneration to FC accounts of foreign nationals shall

<p>employed in branch offices/liaison offices of foreign companies in Bangladesh</p>	<p>be credited only from FC accounts of eligible employers, fed in with inward remittances from their parent offices abroad.  (b) Outward payment on account of family remittance from local credits shall be eligible up to 75% of net income  (c) Balances from the FC accounts are freely encashable to Taka for local expenses.  (d) Purchase of air ticket shall be permissible out of the limit of eligible family remittance.</p>
<p>FEPD Circular No. 48  December 15, 2019  Excess benefit for all Small and Medium Industries under export-oriented Ready Made Garments (Knit, woven and Sweater).</p>	<p>The excess cash benefit for Small and Medium Industry under export-oriented Ready Made Garments (Knit, woven and Sweater) shall be admissible only for a single party among the parties- Readymade garments/Textile-made product producer-exporter, Textile producer and Thread producer as before. However, subject to the specific mentioning of receiver name and address in internal back-to-back Letter of Credit, the receivers of existing substitute cash incentive and the excess benefit for Small and Medium Industry may vary. If the beneficiaries of the above mentioned benefits are different, the name and address of the beneficiaries, according to the benefits, must be mentioned in the related internal back-to-back Letter of Credit. In this regard, submission of application and audit activities are allowed to perform separately.</p>