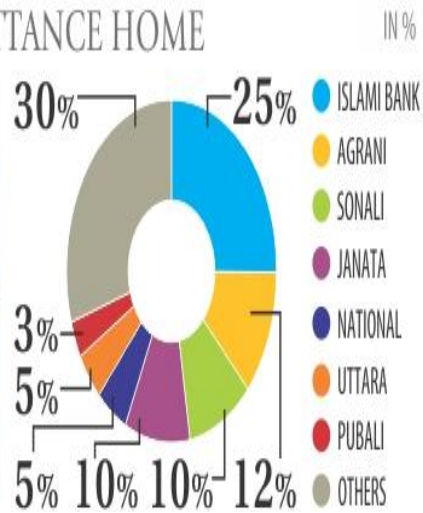


Quarterly Report on Remittance Earnings

October-December 2014¹

BANKS THAT BRING REMITTANCE HOME



TOP TEN REMITTERS

NAME	COUNTRY
Mahiul Muhammed Khan Muqit	UK
Mohammed Mahtabur Rahman	UAE
Rezaul Hasan	USA
Zakir Hossain	KUWAIT
Abul Kalam	UAE
Sayadur Rahman Habib	HONG KONG
Jafar Ahmed	UAE
Mohammed Emadur Rahman	UAE
Nazmul Hossain Gazi	KUWAIT
Nizam Mohammad Meah	USA



Bangladesh Bank
Research Department
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¹Comments on any aspects of the report are highly welcome and can be sent to Ms. Zahira Hasin, Deputy Director, Research Department, Bangladesh Bank. E-mail:zahira.hasin@bb.org.bd.

Foreign employment and remittance sent by the Bangladeshi expatriates have immense contribution to the economic development of Bangladesh through lowering unemployment, poverty alleviation and swell up foreign exchange reserve. Remittance is the main source of foreign finance for developing countries like Bangladesh with limited internal resources and foreign capital. In addition, remittance plays a supportive role in swelling up current account surplus. Growth of remittance flows worldwide have increased steadily since 2011, consistent with acceleration in economic activity after financial crisis. Historically, remittance flows to Bangladesh have been linked to the employment and economic growth in Gulf countries. Gross remittance earnings in FY14 declined by 1.61 percent to USD 14228.31 million compared to USD 14461.13 million of FY13 for slow economic activity in Gulf region. The slow recovery in some developed economies like UK also contributed to this situation. In addition, the huge expenses made by the Bangladeshi workers in Saudi Arabia for changing work permit (AKAMA change) as well as the decrease in Bangladeshi migrants to abroad because of Bangladesh's failure to send more workers to traditional markets in abroad and exploring new markets also liable for the decline of flow of remittance. In FY14 remittance was 8.21 percent of our GDP and 47.80 percent and 42.38 percent of the country's total export and import respectively (Table-1).

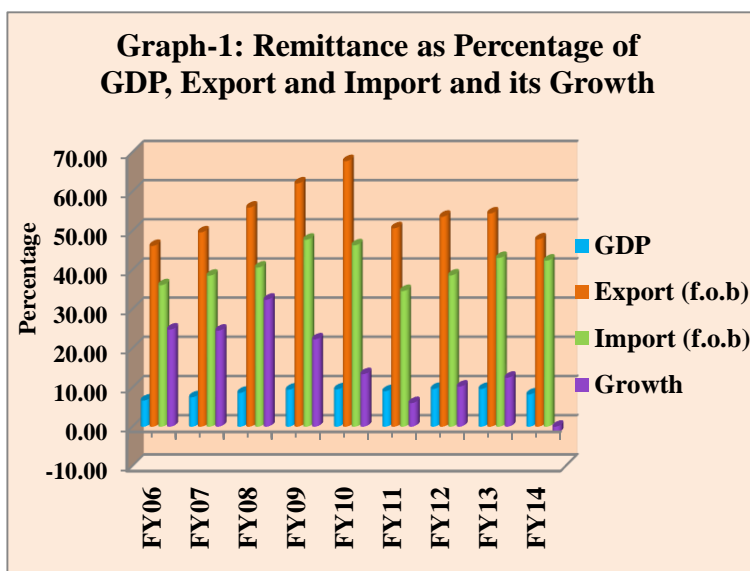
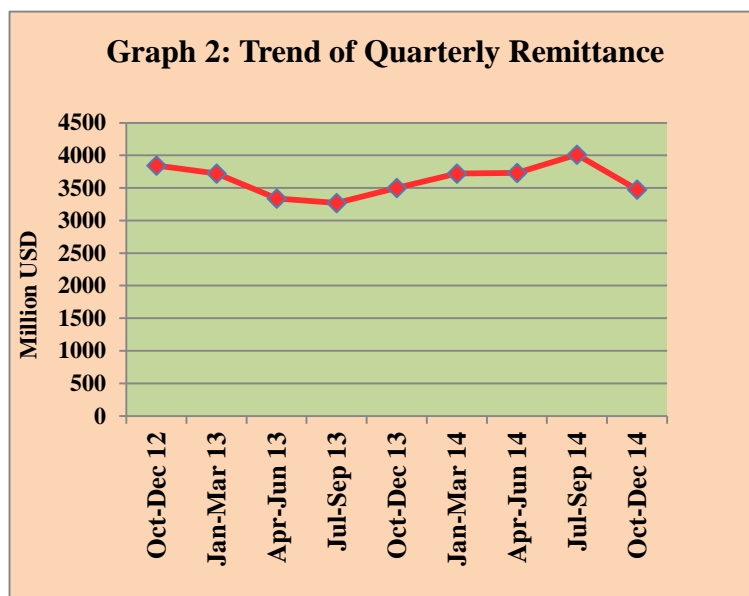


Table-1: Remittance as Percentage of GDP, Export and Import and its Growth

FY	GDP	Export (f.o.b)	Import (f.o.b)	Growth
FY06	6.68	46.12	36.10	24.78
FY07	7.51	49.60	38.54	24.50
FY08	8.64	55.93	40.62	32.39
FY09	9.44	62.11	47.70	22.28
FY10	9.52	67.80	46.29	13.40
FY11	9.05	50.64	34.61	6.03
FY12	9.63	53.58	38.59	10.24
FY13	9.64	54.43	43.07	12.51
FY14	8.21	47.80	42.38	-1.61

Country wise Remittance Earnings: October-December 2014

In October-December 2014 quarter Bangladesh earned USD 3476.86 million of remittance, which is 13.30 percent and 0.73 percent lower than USD 4010.30 million of previous quarter and USD 3502.34 million of same quarter of the preceding year respectively. During the quarter, the largest amount of remittance



inflows from KSA (USD 756.33 million), which is 21.76 percent of total remittance earnings. The sequential remittance sender countries are UAE with USD 666.07 million (19.16 percent), USA USD 518.57 million (14.92 percent), Malaysia USD 304.65 million (8.76 percent), Kuwait USD 255.58 million (7.35 percent), Oman USD 210.37 million (6.05 percent) and United Kingdom USD 165.50 million (4.76 percent) (Table-2 and Chart-3). Observing the country wise remittance inflow, the Gulf* countries have important role as the main source of remittance earnings for Bangladesh. In this quarter the remittance share of these countries stood at 60.62 percent of the total remittance earnings, which is 8.68 percent lower than the previous quarter. Overall remittance inflow from EU** countries decreased significantly by 32.05 percent. From Asia-Pacific*** region overall remittance growth was negative of 10.58 percent due to 39.0 percent negative growth from Japan, 13.94 percent from Singapore and 8.93 percent from Malaysia. Remittance inflow from USA declined by 20.02 percent compared to previous quarter. Country wise remittance earning is shown in Table-2 and Graph-3.

*Gulf Countries are KSA, UAE, Qatar, Oman, Bahrain and Kuwait.

** EU countries are United Kingdom, German and Italy.

***Asia-Pacific countries are Japan, Malaysia and Singapore.

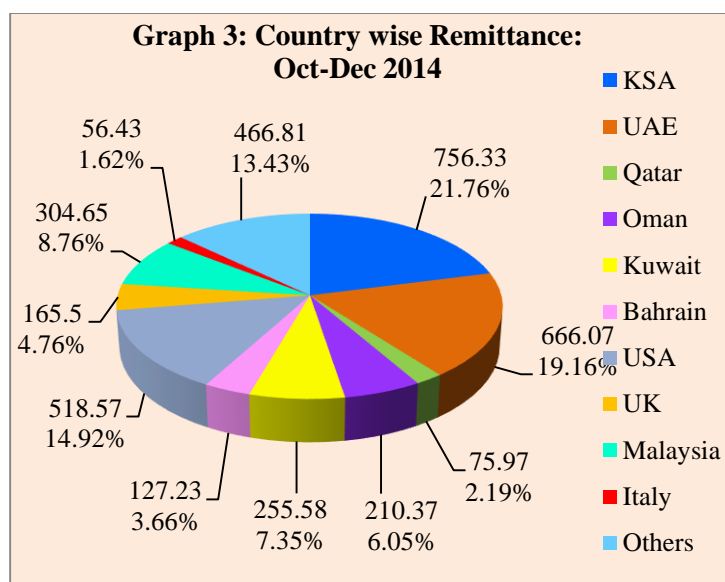


Table-2: Country wise Remittance Inflow

(Million USD)

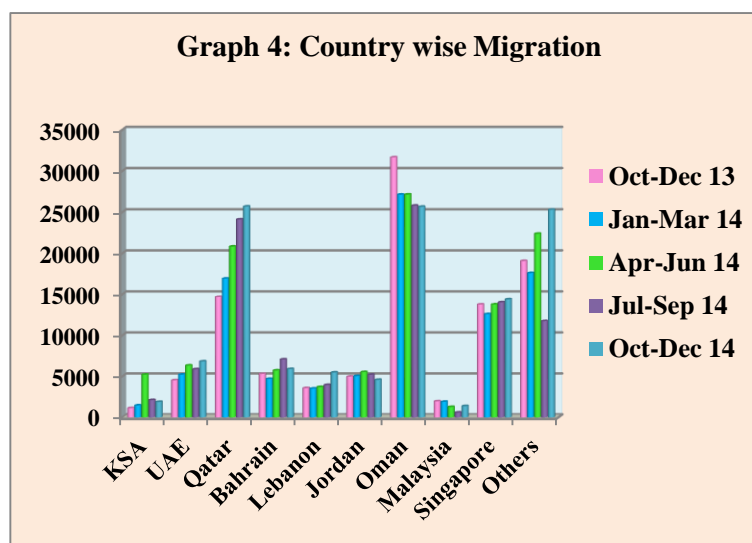
	Oct-Dec 13	Jan-Mar 14	April-June14	July-Sep14	Oct-Dec 14
Gulf Countries	2068.07	2221.46	2190.92	2307.52	2107.24
	(59.05)	(59.68)	(58.69)	(57.54)	(60.62)
KSA	768.67	844.47	796.60	848.21	756.33
	(21.95)	(22.69)	(21.34)	(21.15)	(21.76)
UAE	662.02	707.18	695.26	723.56	666.07
Qatar	61.68	67.58	67.86	72.88	75.97
Oman	164.49	183.89	201.22	235.09	210.37
Bahrain	111.8	122.87	132.13	135.51	127.23
Kuwait	279.90	275.52	284.37	284.45	255.58
Libya	19.51	19.95	13.09	7.82	15.63
Iran	0.0	0.0	0.39	0.00	0.06
EU Countries	290.8	280.98	298.28	334.87	227.53
	(8.30)	(7.55)	(7.99)	(8.35)	(6.55)
United Kingdom	216.33	219.09	228.09	240.45	165.50
German	7.88	6.45	6.07	6.10	5.60
Italy	66.59	55.44	64.12	88.32	56.43
Asia-Pacific Countries	379.12	402.45	413.32	459.54	410.94
	(10.82)	(10.81)	(11.07)	(11.46)	(11.82)
Japan	4.14	4.74	3.98	5.18	3.16
Malaysia	269.27	276.53	298.67	334.53	304.65
Singapore	105.71	121.18	110.67	119.83	103.13
USA	576.98	609.00	607.84	648.38	518.57
	(16.47)	(16.36)	(16.28)	(16.17)	(14.92)
Other Countries	187.37	208.55	222.73	260.29	212.48
	(5.35)	(5.60)	(5.97)	(6.48)	(6.09)
Total	3502.34	3722.44	3733.09	4010.30	3476.86

Source: Foreign Exchange Policy Department, Bangladesh Bank.

Note: Numbers in bracket indicate percentage share of total.

Country wise Migration

In October-December 2014 quarter, 117.10 thousand Bangladeshi migrated for their livelihood, which is 16.5 percent and 16.3 percent higher than 100.49 thousand of previous quarter and 100.66 thousand of October-December 2013 respectively. During this



period, 25696 persons migrated to Qatar, 25664 to Oman, 14339 to Singapore, 6823 to UAE, 5897 to Bahrain, 5482 to Lebanon, 4578 to Jordan, 1882 to KSA and 1373 to Malaysia. Country wise migration is shown in Table-3 and Graph-4.

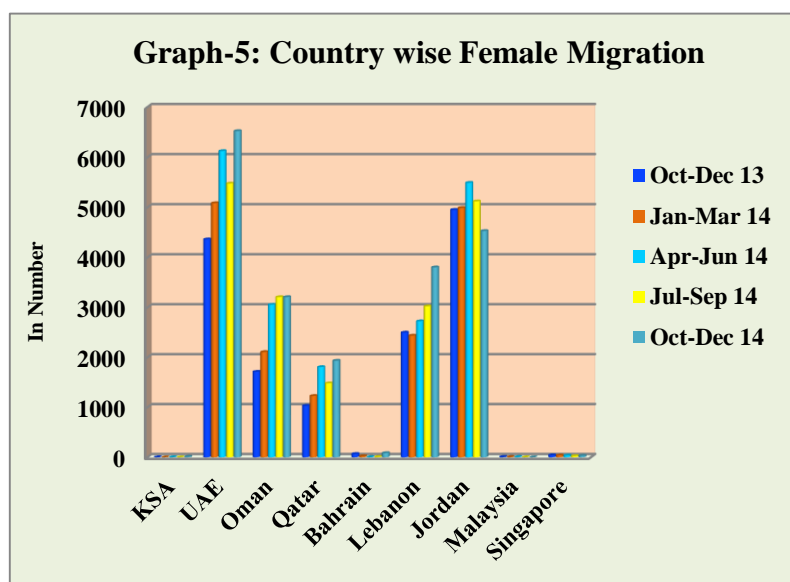
Table-3: Country wise Migration

Year	(In Number)										Total	Female
	KSA	UAE	Qatar	Bahrain	Lebanon	Jordan	Oman	Malaysia	Singapore	Others		
2003	162131	37346	94	7482			4029	28	5304	37776	254190	2,353
2004	139031	47012	1268	9194			4435	224	6948	64846	272958	11,259
2005	80425	61978	2114	10716			4827	2911	9651	80080	252702	13,570
2006	109513	130204	7691	16355	0	2822	8082	20469	20139	66241	381516	18,045
2007	204112	226392	15130	16433	3541	494	17478	273201	38324	37504	832609	19,094
2008	132124	419355	25548	13182	8444	682	52896	131762	56581	34481	875055	20,842
2009	14666	258348	11672	28426	13941	1691	41704	12402	39581	52847	475278	22,224
2010	7069	203308	12085	21824	17208	2235	42641	919	39053	44360	390702	27706
2011	15030	282734	13168	13928	19166	4387	135260	742	48666	34981	568062	30579
2012	21232	215452	28801	21777	14864	11726	170326	804	58657	64159	607798	37304
Jan-Mar 13	6955	2041	12561	7145	3777	5979	39144	548	13889	7185	99224	12437
Apr-Jun 13	3202	3672	15238	6688	4016	5819	31714	559	16332	13474	100714	14644
Jul-Sep 13	1362	4001	15099	6029	3734	4611	31499	790	16063	17061	100249	14013
Oct-Dec 13	1135	4527	14686	5293	3571	4974	31671	1956	13773	19078	100664	15336
2013	12654	14241	57584	25155	15098	21383	134028	3853	60057	56798	400851	56430
Jan-Mar 14	1457	5210	16931	4690	3513	5036	27137	1900	12592	17602	96068	16391
Apr-Jun 14	5208	6326	20827	5723	3697	5530	27147	1269	13778	22384	111889	19682
Jul-Sep 14	2110	5873	24121	7068	3948	5194	25800	592	14041	11744	100491	18803
Oct-Dec 14	1882	6823	25696	5897	5482	4578	25664	1373	14339	25365	117099	21131
2014	10657	24232	87575	23378	16640	20338	105748	5134	54750	77095	425547	76007
Quarterly Growth	-10.8	16.2	6.5	-16.6	38.9	-11.9	-0.5	131.9	2.1	116.0	16.5	12.4
Annual Growth	65.8	50.7	75.0	11.4	53.5	-8.0	-19.0	-29.8	4.1	33.0	16.3	37.8

Source: Bureau of Manpower, Employment and Training, Bangladesh

Country wise Female Migration

Migration of Bangladeshi female personnel to various countries in the world has been increasing gradually. In October-December 2014 quarter, 21.13 thousand Bangladeshi female workers migrated for their livelihood, which is 12.4 percent and 37.8 percent higher compared to



18.80 thousand previous quarter and 19.68 thousand of October-December 2013 respectively. During this period, 6525 female workers migrated to UAE, 4530 to Jordan, 3804 to Lebanon, 3209 to Oman and 1934 to Qatar. In this context, it is important to mention that along with increasing female migration in many countries, their job environment and financial security should be ensured. Government may take necessary initiatives through Bureau of Manpower, Employment and Training (BMET) and Bangladeshi Diplomatic Missions in abroad. Moreover, private recruiting agencies may play an important role in this regard. Country wise female migration is shown in Table-4 and Graph-5.

Table-4: Country wise Female Migration

(In Number)											
Year	KSA	UAE	Oman	Qatar	Bahrain	Lebanon	Jordan	Malaysia	Singapore	Others	Total
2012	485	6212	4102	6	38	12496	11582	19	75	2289	37304
Jan-Mar 13	126	1959	1312	62	1	2586	5942	6	31	412	12437
Apr-Jun 13	34	3567	1495	218	4	3004	5774	7	29	512	14614
Jul-Sep 13	5	3821	1548	788	68	2661	4575	2	32	513	14013
Oct-Dec 13	2	4363	1713	1032	68	2499	4952	8	41	658	15336
2013	167	13710	6068	2100	141	10750	21243	23	133	2065	56400
Jan-Mar 14	0	5086	2109	1229	23	2437	4990	7	38	472	16391
Apr-Jun 14	2	6126	3057	1808	5	2725	5492	7	36	424	19682
Jul-Sep 14	0	5477	3209	1481	8	3024	5122	1	24	457	18803
Oct-Dec 14	11	6525	3209	1934	85	3804	4530	0	30	1003	21131
2014	13	23214	11584	6452	121	11990	20134	15	128	2356	76007
Quarterly Growth (%)		19.1	0.0	30.6	962.5	25.8	-11.6	-100.0	25.0	119.5	12.4
Yearly Growth (%)	450.0	49.6	87.3	87.4	25.0	52.2	-8.5	-100.0	-26.8	52.4	37.8

Source: Bureau of Manpower, Employment and Training, Bangladesh.

Category wise Migration

By analyzing the category wise migration of Bangladeshi expatriates, it depicts that 52.0 percent of total migrated labor force was unskilled in January-December 2013 (Table-5). During the period, only 0.2 percent of migrated manpower was professional, 32.7 percent was skilled and semiskilled migration stood at 15.28 percent compared to 3.4 percent in 2012.

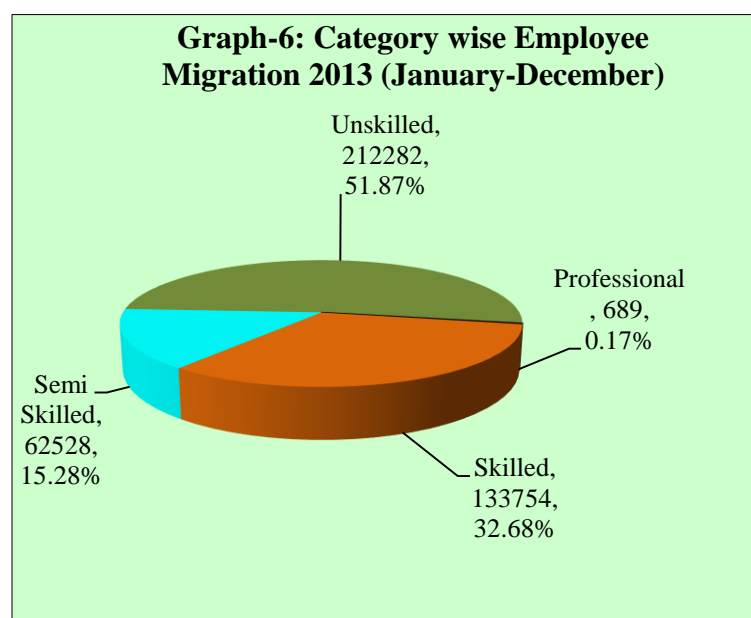


Table-5: Category wise Employee Migration

(In Number)

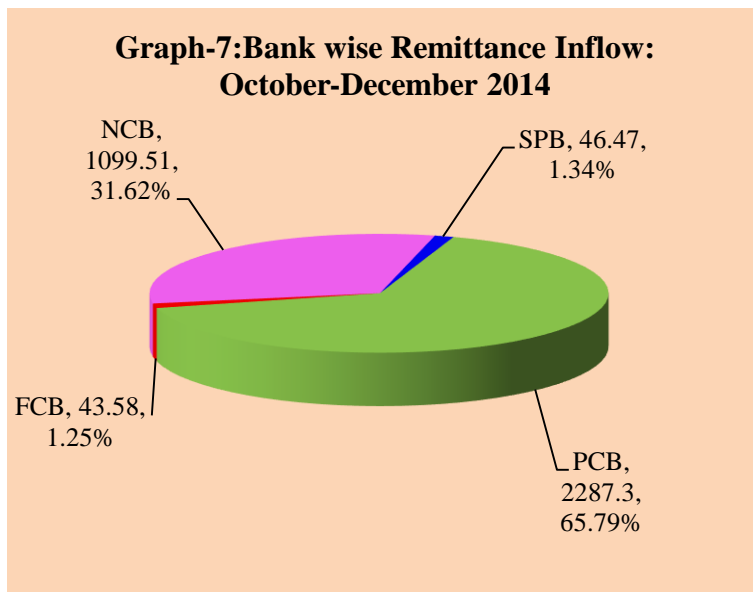
Year	Classification of Migrated Employees				
	Professional	Skilled	Semi Skilled	Unskilled	Total
2000	10669	99606	26461	85950	222686
	(4.79)	(44.73)	(11.88)	(38.60)	(100.00)
2001	5940	42742	30702	109581	188965
	(3.14)	(22.62)	(16.25)	(57.99)	(100.00)
2002	14450	56265	36025	118516	225256
	(6.42)	(24.98)	(15.99)	(52.61)	(100.00)
2003	15862	74530	29236	134562	254190
	(6.24)	(29.32)	(11.50)	(52.94)	(100.00)
2004	12202	110177	28327	122252	272958
	(4.47)	(40.36)	(10.38)	(44.79)	(100.00)
2005	1945	113655	24546	112556	252702
	(0.77)	(44.98)	(9.71)	(44.54)	(100.00)
2006	925	115468	33965	231158	381516
	(0.24)	(30.27)	(8.90)	(60.59)	(100.00)
2007	676	165338	183673	482922	832609
	(0.08)	(19.86)	(22.06)	(58.00)	(100.00)
2008	1864	281450	132825	458916	875055
	(0.21)	(32.16)	(15.18)	(52.45)	(100.00)
2009	1,426	134,265	84,517	255,070	475,278
	(0.30)	(28.25)	(17.18)	(53.66)	(100)
2010	387	90,621	20,016	279,678	390,702
	(0.10)	(23.19)	(5.12)	(71.58)	(100)
2011	1192	229149	28279	308992	568062
	(0.2)	(40.3)	(5.1)	(54.4)	(100)
2012	812	209368	20498	377120	607798
	(0.13)	(34.45)	(3.37)	(62.05)	(100)
2013	689	133754	62528	212282	409253
	(0.17)	(32.68)	(15.28)	(51.87)	(100)
Total	69,039	1,856,388	742,048	3,289,555	5,957,030

Source: Bureau of Manpower, Employment and Training, Bangladesh.

Note: Numbers in bracket indicate percentage share of total.

Bank wise Remittance Inflow: October-December 2014

In Bangladesh most of the commercial banks are contributing distinctively to county's economic development through distributing collected remittance from all over the world to the beneficiaries. In this context, private commercial banks (PCBs) collect the highest amount of remittance. State owned commercial banks



(SCBs), foreign commercial banks (FCBs) and specialized banks are the sequential remittance collectors. During October-December 2014, SCBs have collected USD 1099.51 million (31.62 percent), which is 15.05 percent and 0.85 percent lower than previous quarter and the same quarter of previous year respectively. Among all SCBs Agrani Bank is in the top position having USD 398.73 million and Sonali Bank attained the second position with USD 340.80 million of remittance. In this period, PCBs have collected USD 2287.30 million (65.79 percent), which is 12.25 percent and 0.39 percent less compared to previous quarter and same period of the preceding year respectively. Islami Bank Bangladesh Limited (IBBL) is the top most remittance collector among all PCBs. During this period, IBBL has collected USD 871.74 million, which is the highest collection compared to any other bank and 25.07 percent of total remittance inflow of the country. In this quarter, many of the PCBs' collection of remittance decreased substantially rather than previous quarter. During October-December 2014, FCBs have collected USD 43.58 million (1.25percent), which is 15.18 percent and 23.17 less than previous quarter and October-December 2013 in that order. Standard Chartered has collected USD 20.23 million of remittance which is the highest amount among the FCBs. In this quarter, Bangladesh Krishi Bank has solely received USD 46.02 million out of total USD 46.47 million earned by the specialized banks. It is observed that a few other banks have also contributed in collecting remittance along with the major banks of Bangladesh in October-December 2014 quarter.

Table-6: Bank wise Quarterly Remittance Inflow**(Million USD)**

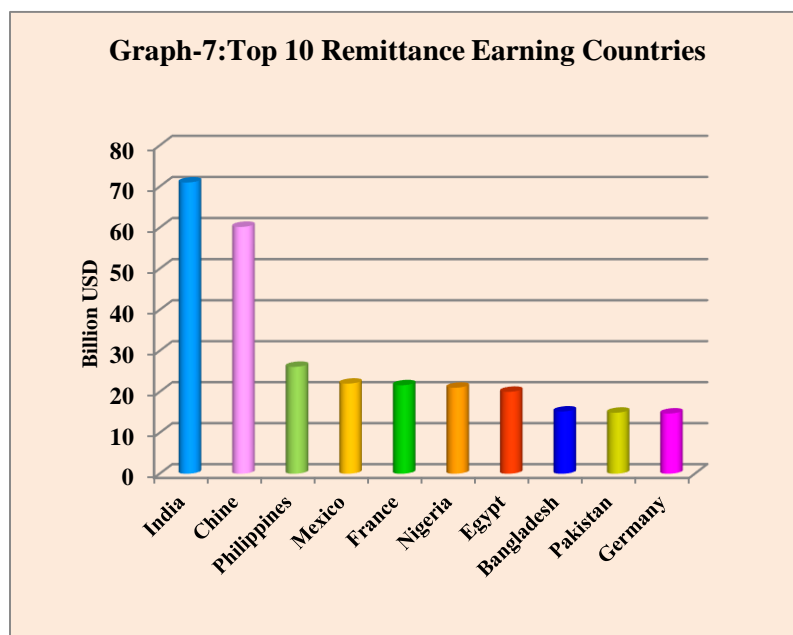
Bank Name	Oct-Dec 13	Jan-Mar 14	April-June 14	July-Sep 14	Oct-Dec 14
	1108.94	1161.51	1193.20	1301.20	1099.51
State owned Private Banks	(31.66)	(31.20)	(31.96)	(32.45)	(31.62)
Sonali Bank	361.79	375.47	380.91	394.62	340.8
Agrani Bank	395.1	412.67	421.39	462.03	398.73
Janata Bank	313.63	329.55	344.40	392.64	314.85
Rupali Bank Ltd	38.42	43.82	46.50	51.91	45.13
Specialized Banks	40.33	44.53	48.19	51.05	46.47
	(1.15)	(1.20)	(1.29)	(1.27)	(1.34)
Bangladesh Krishi Bank	39.98	44.44	47.90	50.55	46.02
Basic Bank Ltd	0.35	0.09	0.29	0.5	0.45
Private Commercial Banks	2296.35	2459.85	2438.10	2606.67	2287.30
	(65.57)	(66.08)	(65.31)	(65.00)	(65.79)
IBBL	917.35	981.04	953.87	1002.39	871.74
	(26.19)	(26.35)	(25.55)	(25.00)	(25.07)
National Bank Ltd	180.93	186.22	184.96	201.11	176.91
Uttara Bank Ltd	130.95	138.66	152.38	166.61	132.29
BRAC Bank Ltd	130.36	102.67	92.85	109.1	83.23
Pubali Bank Ltd	106.64	125.52	120.56	130.76	108.76
Prime Bank Ltd	82.6	88.18	82.78	91.79	78.46
AB Bank Ltd	72.00	80.22	73.67	62.26	61.04
NCCBL	55.94	63.45	57.9	74.24	54.45
Eastern Bank Ltd	21.1	21.75	16.59	22.24	37.14
Bank Asia Ltd.	106.62	121.02	104.71	108.7	110.42
South East Bank Ltd.	65.4	65.77	70.19	74.94	78.67
The City Bank Ltd	78.45	87.8	78.95	73.38	80.52
Dhaka Bank Ltd	54.85	53.68	54.49	54.75	63.21
Mutual Trust Bank Ltd.	18.1	19.93	21.75	26.96	27.9
The Trust Bank Ltd	43.51	39.05	52.07	59.45	35.5
Dutch-Bangla Bank Ltd	67.64	75.13	81.56	97.54	77.67
Shahjalal Islami Bank	1.89	1.83	1.99	3.25	2.13
IFIC Bank Ltd	12.69	14.68	16	17.2	15.25
UCBL	21.21	28.29	34.53	32.09	29.6
Mercantile Bank Ltd.	38.16	52.86	56.01	53.38	43.5
Jamuna Bank Ltd	19.71	18.22	22.76	29.31	28.91
The Premier Bank Ltd	12.25	13.19	10.56	8.83	10.84
Exim Bank Ltd	6.7	6.56	7.25	6.68	5.2
Social Islami Bank Ltd.	10.21	26.93	32.81	21.97	9.99
ICB Islamic Bank	0.38	0.37	0.32	0.49	0.38
First Security Bank Ltd.	12.83	11.31	10.17	12.53	14.52
One Bank Ltd	2.8	3.34	2.94	3.78	2.95
Al-Arafah Islami Bank Ltd.	8.85	14.73	21.01	32.08	20.71
Standard Bank Ltd	15.12	15.21	21.07	26.46	22.91
BD Com. Bank Ltd.	1.11	1.03	1.26	1.86	1.67
NRB Commercial Bank		1.21	0.14	0.25	0.21
Other Banks				0.29	0.62
Foreign commercial Banks	56.72	56.55	53.6	51.38	43.58
	(1.62)	(1.52)	(1.44)	(1.28)	(1.25)
HSBC	19.42	18.51	15.19	20.59	13.52
Standard Chartered Bank	31.38	30.09	30.51	20.62	20.23
Woori Bank Ltd	2.94	4.11	5.61	6.24	6.68
Com. Bank of Ceylon	2.01	1.91	1.79	3.49	2.81
Citi Bank NA	0.78	0.26	0.35	0.36	0.22
Bank Al Falah	0.06	0.05	0.08	0.05	0.09
State Bank of India	0.11	0.08	0.07	0.02	0.03
Habib Bank Ltd	0.02	0.03	0	0	0
National Bank of Pakistan	0	1.51	0	0.01	0
Total	3502.34	3722.44	3733.09	4010.30	3476.86

Source: Foreign Exchange Policy Department, Bangladesh Bank.

Note: Numbers in bracket indicate percentage share of total.

International Comparison

As per view of the paper “Migration and Development Brief, World Bank April 11, 2013”, in 2013 Bangladesh is in 8th position among world’s top ten remittance earner countries and 2nd in South Asian region. India is the world’s top most remittance earner and China attained the 2nd position. Though



Bangladesh is in 6th position among world’s top 10 manpower exporter countries, its earned remittance is 11.14 percent of the country’s GDP. In 2012 Tajikistan is in the 1st position in percentage share of GDP.

Table-7(A): Top 10 Remittance Earning Countries

(Million

USD)

Top 10 Countries	2005	2006	2007	2008	2009	2010	Percentage Share of GDP (%)
India	22,125	28,334	37,217	49,941	49,256	55,000	3.9%
China	24,102	27,954	38,791	48,524	48,729	51,000	1.0%
Mexico	23,062	26,877	27,136	26,304	22,153	22,572	2.5%
Philippines	13,566	15,251	16,302	18,642	19,766	21,311	11.7%
France	11,945	13,031	14,445	16,408	15,551	15,939	0.6%
German	6,933	7,567	9,898	10,908	10,879	11,559	0.3%
Bangladesh	4,315	5,428	6,562	8,941	10,523	11,050	11.8%
Belgium	7,242	7,488	9,098	10,255	10,360	10,446	2.2%
Spain	7,961	8,890	10,739	11,807	9,904	10,245	0.7%
Nigeria	3,329	5,435	9,221	9,980	9,585	9,975	5.6%

Source: World Bank staff estimates based on the International Monetary Fund's Balance of Payments Statistics Yearbook 2010.

Table-7(B): Top 10 Remittance Earning Countries in 2013

Top 10 Countries*	2013 (Billion USD)	Top 10 Countries **	Percentage Share of GDP (%) **
India	71.0	Tajikistan	52%
China	60.2	Kirgiz Republic	31%
Philippines	26.1	Nepal	25%
Mexico	22.0	Moldova	25%
France	21.6	Samoa	23%
Nigeria	21.0	Lesotho	23%
Egypt	20.0	Armenia	21%
Bangladesh	15.2	Haiti	21%
Pakistan	14.9	Liberia	20%
Germany	14.7	Kosovo	17%

Source: *Changing Patterns of Global Migration and Remittances, December 2013

**Migration and Development Brief, World Bank, April 11, 2014.

**Top 10 Countries according to percentage share of GDP (%) in 2012