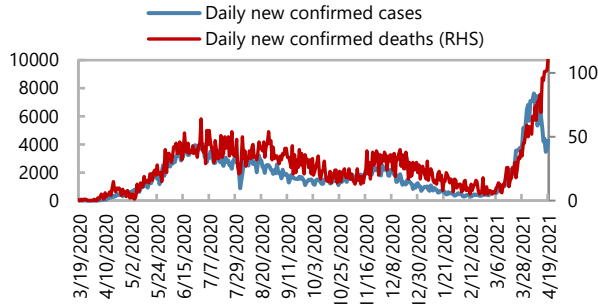


Bangladesh: Selected Indicators

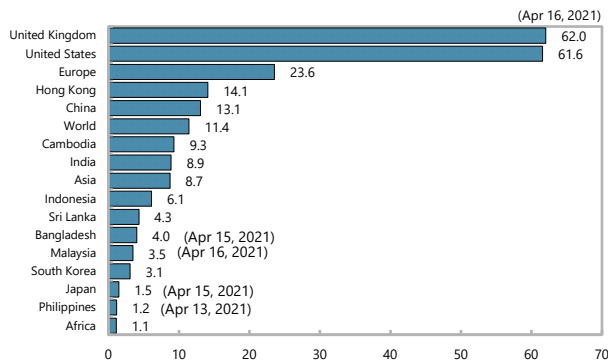
Both infections of and deaths due to COVID-19 have been picking up since March 2021.

New confirmed cases and deaths due to COVID-19
(Mar 19, 2020- Apr 19, 2021)



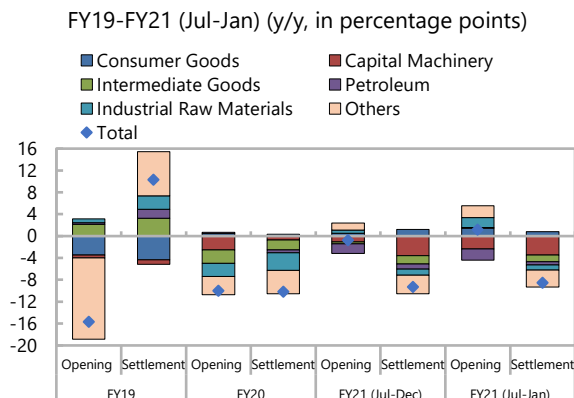
Bangladesh continues to fall below the Asian average for vaccine doses administered (per 100 people).

COVID-19 vaccine doses administered per 100 people as on April 17, 2021 unless otherwise mentioned



Letters of credit (LC) openings have started to slowly pick up while, given the pandemic, most LCs are yet to be settled.

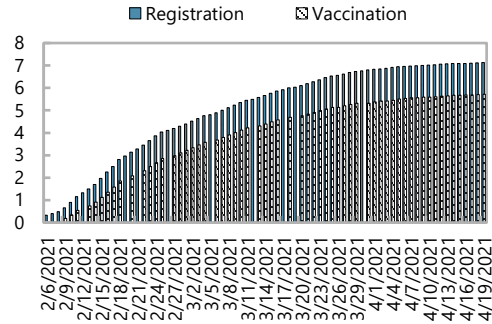
Sector-wise contributions to total LC opening and settlement



Vaccinations rollout has been slower than expected, reflecting supply delays, with approximately 5.6 million persons having received vaccinations thus far.

Number of registration and people who received vaccination 1/

Feb 06, 2021- Apr 19, 2021 (in Million)

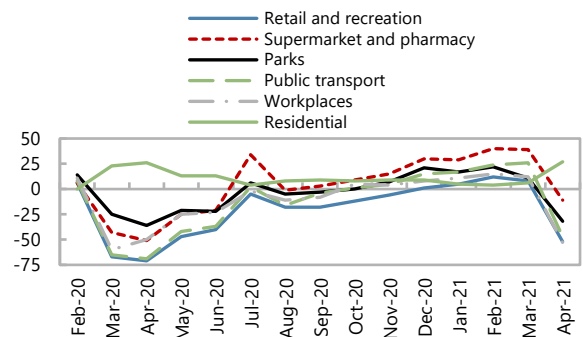


Mobility which continued to increase, reflecting a growing momentum of economic activity since Aug last year, started declining in Apr.

Community mobility changes 2/

Feb 2020-Apr 2021

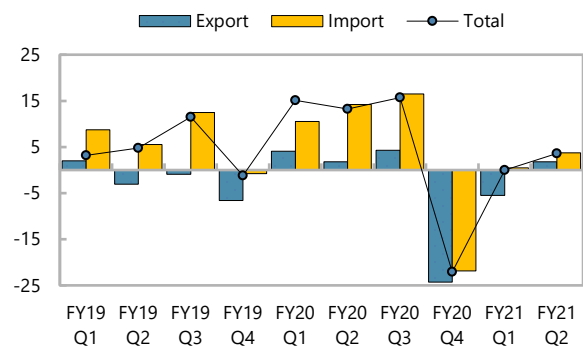
(percent change from baseline)



Compared with the significant decline in FY20 Q4, both export and import volumes have improved in FY21 Q2 based on cargo handled data.

Cargo handled by Chattogram port

FY19 Q1-FY21 Q1(y/y growth in percentage points)



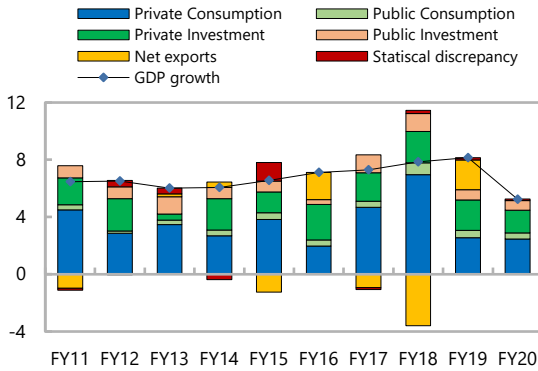
1/ Vaccination data takes into account only the first-dose receivers. As on April 19th, 1,366,609 people received the second dose. 2/ The baseline is the median value, for the corresponding day of the week, during the five-week period 3 Jan-6 Feb 2020. Apr 2021 data is as of Apr 14th, 2021.

Sources: Google's COVID-19 Community Mobility Reports; Directorate General of Health Services, Ministry of Health and Family Welfare, Bangladesh; Bangladesh Bank and IMF staff calculations

Bangladesh: Real Sector Developments

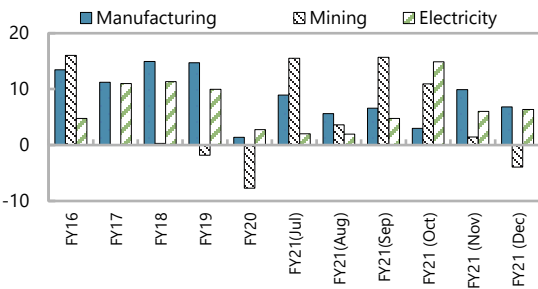
Private consumption and investment contributed 2.5 and 1.6 percentage points, and public consumption and investment contributed 0.4 and 0.7 percentage points, respectively, to the real GDP growth in FY20.

Contributions to Real GDP Growth 1/
FY11-FY20 (y/y, in percentage points)



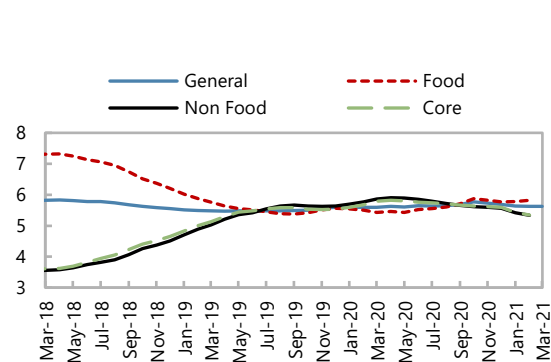
Compared with FY20, the y/y growth of the quantum indices highlight a pickup in the activity in the first six months of FY21, with some decline in mining in December 2020.

Quantum Index of Medium and Large-Scale Manufacturing Industries, Mining and Electricity 1/
FY17-FY21 (Dec) (y/y growth, in percent)



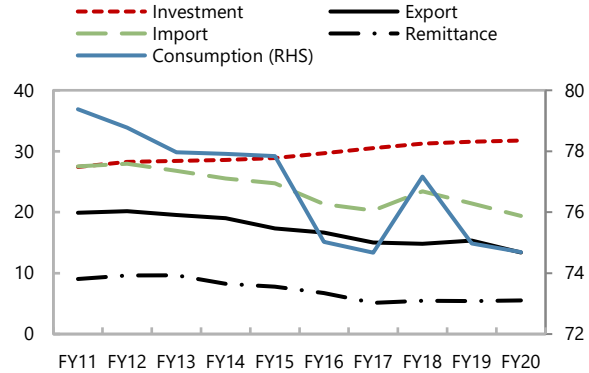
Twelve-month average headline inflation, in Mar 2021, remained same at 5.6 percent in Feb 2021.

Twelve Month Average Inflation
Mar 2018-Mar 2021 (y/y, in percent)



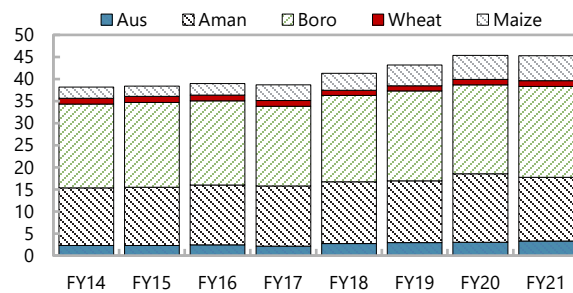
Consumption to GDP ratio in FY20 fell slightly to 74.7 percent from 75 percent in FY19, while the investment to GDP ratio edged up from 31.6 percent to 31.8 percent.

Selected indicators' Share in Nominal GDP 1/
FY11-FY20 (in percent)



Rice production target, in FY21, was set at 36.2 MMT reflecting the actual production in FY20 (38.7 MMT). Total target for wheat and maize, in FY21, was set at 7 MMT reflecting the outturn of 6.7 MMT in FY20.

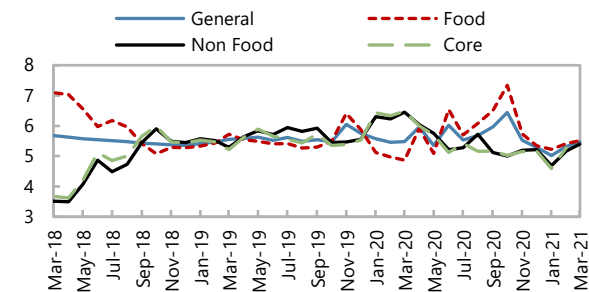
Major Food Grains Production 2/
FY14-FY21 (Million Metric Tons (MMT))



Headline inflation, in Mar 2021, increased to 5.5 percent from 5.3 percent in Feb 2021. During the same period, food inflation increased to 5.5 percent from 5.4 percent, while non-food inflation increased to 5.4 percent from 5.2 percent.

Point-to-Point Inflation

Mar 2018-Mar 2021 (y/y, in percent)



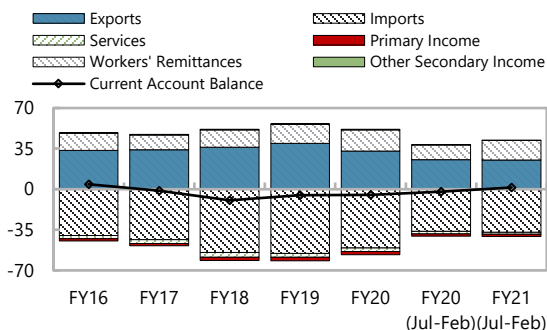
1/ FY20 and FY21 data are provisional. 2/ FY21 Aus and Aman data are actual, while Boro, wheat and Maize data are the production targets.

Sources: Bangladesh Bureau of Statistics (BBS); Department of Agriculture Extension, Ministry of Agriculture; Bangladesh Bank; and IMF staff calculations

Bangladesh: External Sector Developments

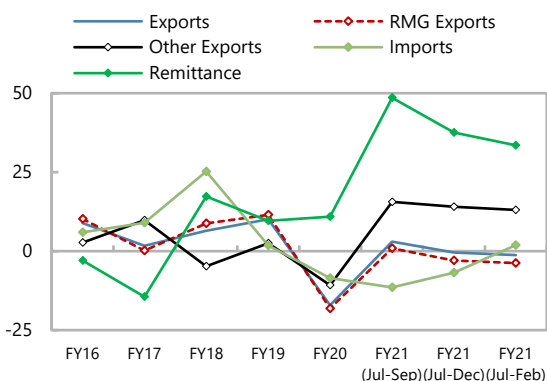
Current account balance, in FY21(Jul-Feb), increased to a USD 1.6 billion surplus, compared with the USD 2.1 billion deficit in FY20 (Jul-Feb).

Current Account Balance Components 1/
FY16-FY21(Jul-Feb) (in billion USD)



Remittances, y/y in FY21(Jul-Feb), grew significantly by 33.5 percent. Export growth was negative (1.3 percent), while imports witnessed 1.9 percent growth over the same period.

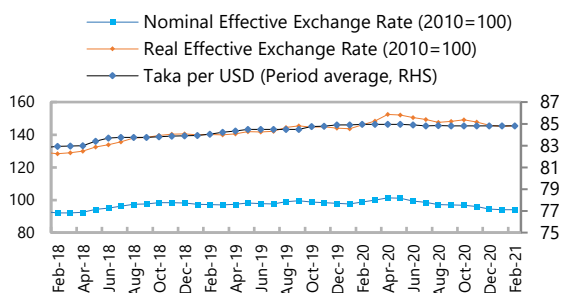
Major Balance of Payments Components 3/
FY16-FY21(Jul-Feb) (y/y growth, in percent)



Trade competitiveness has somewhat improved, in recent months, mostly reflecting the depreciation of the Taka relative to the currency basket of Bangladesh's trading partners.

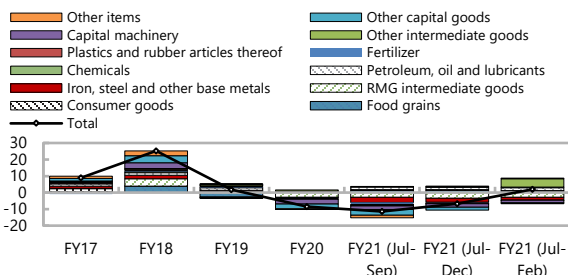
Exchange Rates

Feb 2018-Feb 2021



Capital goods contributed negatively (2.2 percentage points) while oil-related products, and food grains and consumer goods contributed positively (1.8 and 1.2 percentage points respectively) to the overall growth in imports (1.9 percent) in FY21(Jul-Feb).

Item-wise Contributions to Import Growth 2/
FY17-FY21(Jul-Feb), (y/y growth, in percentage points)

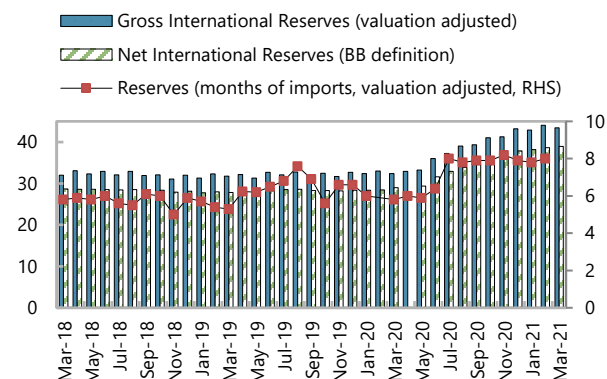


Mostly reflecting the surge in remittances and lower import payments, international reserve coverage has hovered around 8 months of prospective imports since Sep 2020.

International Reserves 4/

Mar 2018-Mar 2021

(In billion USD, unless otherwise indicated)

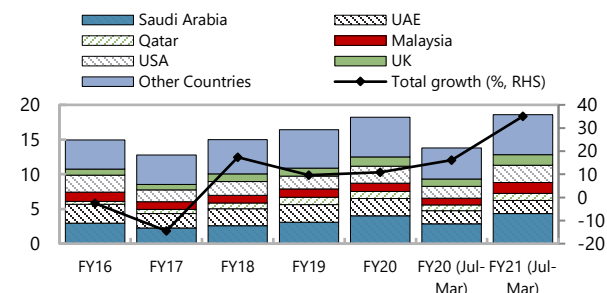


GCC countries, in FY21 (Jul-Mar), contributed 55.3 percent of USD 18.6 billion remittance inflows, of which flows from Saudi Arabia and the UAE accounted for 33.5 percent.

Contributions to Workers' Remittances

FY16-FY21(Jul-Mar)

(in billion USD, unless otherwise indicated)



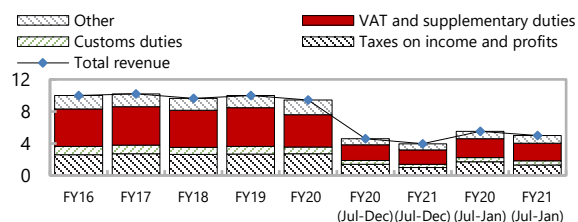
1/ FY21(Jul-Feb) data are provisional. 2/ Data are recorded by customs. 3/ Exports and imports are f.o.b. data. 4/ Net international reserve (NIR) is gross international reserves (excluding investment on bonds below the grade BBB, Silver Acquisition A/C, deposit with Rupali Bank, Pakistan & deposit with Sonali Bank, UK) minus total liabilities. Total liabilities comprise reserve liabilities in ACU, IMF Trust Fund Account (ECF) and other foreign currency clearing accounts, and deposits of IBRD/IDA, and SDR allocation.

Sources: Bangladesh Bank; Export Promotion Bureau (EPB); and IMF staff calculations

Bangladesh: Fiscal Sector Developments 1/

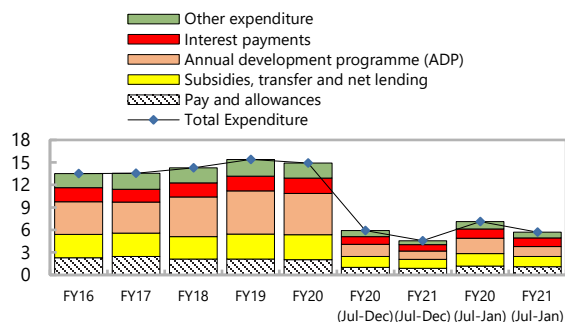
Total revenue-GDP ratio, in FY20, declined to 9.4 percent from 10 percent in FY19. Total revenue-GDP ratio, in FY21 (Jul-Jan), was at 5 percent compared with 5.5 percent in FY20 (Jul-Jan). VAT and the supplementary duties-GDP ratio, during the same period, declined from 2.4 percent to 2.2 percent.

Central Government Revenue
FY16-FY21 (Jul-Jan) (In percent of GDP)



Total expenditure-GDP ratio, in FY20, declined to 14.9 percent from 15.4 percent in FY19. Total expenditure-GDP ratio, in FY21 (Jul-Jan), decreased to 5.7 percent from 7.1 percent. During the same period, ADP execution decreased from 2.1 percent to 1.3 percent of GDP.

Central Government Expenditure
FY16-FY21 (Jul-Jan) (In percent of GDP)

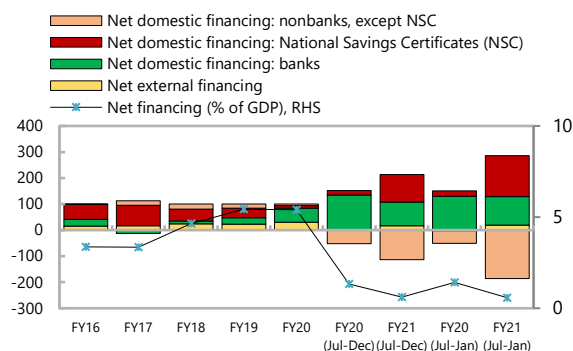


Preliminary data show that net deficit financing, in FY20, was 5.4 percent of GDP. Domestic sources, in the current FY, have financed 80.9 percent of net financing (TK.170.9 billion) as of end-Jan 2021.

Fiscal Balance and Sources of Financing

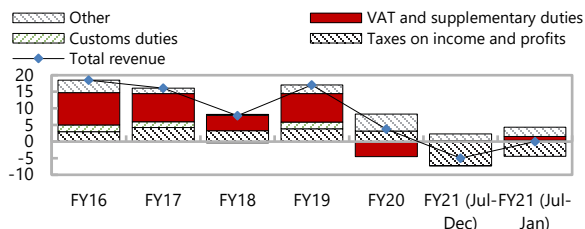
FY16-FY21 (Jul-Jan)

(Percent of net financing, unless otherwise indicated)



Total revenue, in FY20, grew by 3.7 percent (y/y) where VAT and supplementary duties contributed negatively (4.3 percentage points). Preliminary data available as of 7 April, suggest that total revenue, in FY21 (Jul-Jan), has declined by 0.02 percent (y/y) and the decline in the growth in taxes on income and profits has had the largest impact (by 4.4 percentage points).

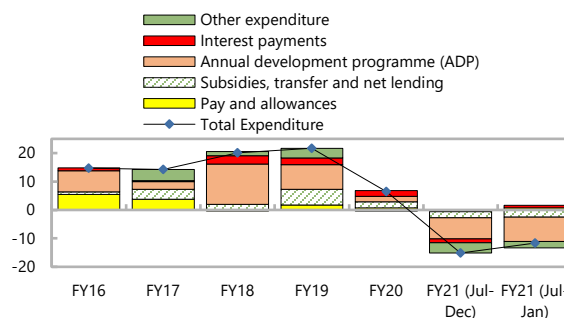
Contributions to Total Revenue Generation
FY16-FY21 (Jul-Jan) (y/y, in percentage points)



Total expenditure, in FY20, increased by 6.5 percent (y/y), with ADP expenditure contributing 1.9 percentage points. Total expenditure, in FY21 (Jul-Jan), declined by 11.7 percent (y/y), where ADP expenditure contributed negative 8.5 percentage points.

Contributions to central government's expenditure growth

FY16-FY21 (Jul-Jan) (y/y, in percentage points)

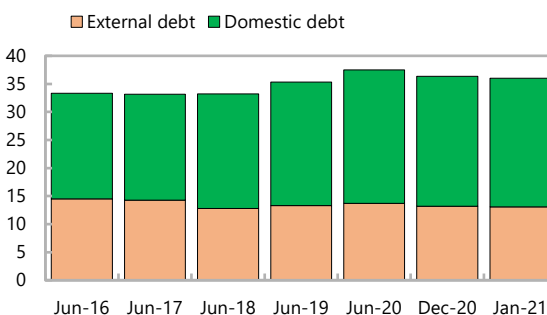


Total central government debt, at end-Jun 2020, reached 37.5 percent of GDP from 35.3 percent of GDP at end-Jun 2019. It reached 36 percent at end-Jan 2021, where domestic debt accounted for roughly two thirds of the total central government debt.

Central Government Debt

Jun 2016-Jan 2021

(In percent of GDP)

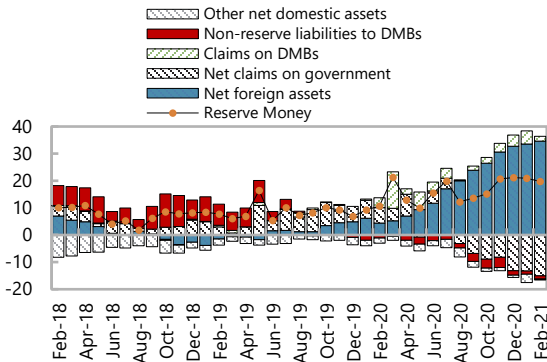


1/ FY20 and FY21 fiscal data are provisional. FY21 (Jul-Jan) GDP data is annualized using provisional GDP of FY20, and IMF staff projected GDP for FY21. Sources: Office of the Controller General of Accounts (CGA), Ministry of Finance; and IMF Staff calculations

Bangladesh: Monetary and Financial Market Developments

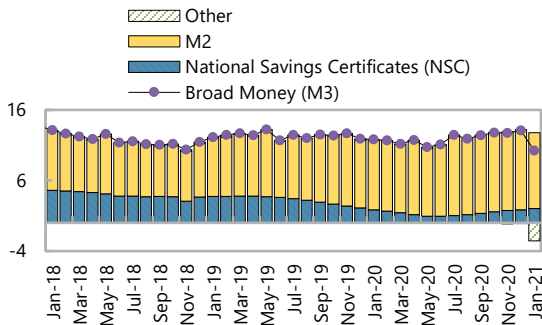
Reserve money, at end-Feb 2021, grew by 19.7 percent (y/y) compared with 20.9 percent (y/y) in Jan 2021, mainly driven by increasing net foreign assets.

Contributions to Reserve Money Growth
Feb 2018-Feb 2021 (y/y, in percentage points)



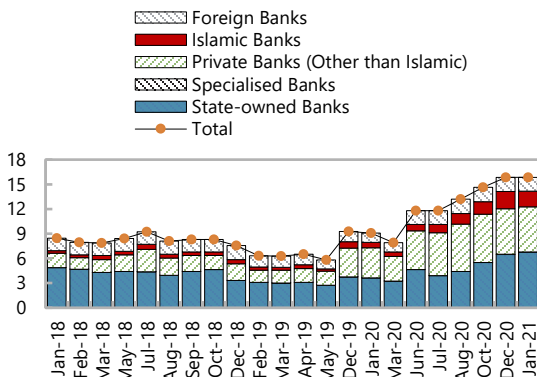
Broad money (M3) growth reached 10.2 percent, in Jan 2021, with M2 and NSC sales accounting for 10.8 and 2 percentage points respectively.

Contributions to Broad Money (M3) Growth
Jan 2018-Jan 2021 (y/y, in percentage points)



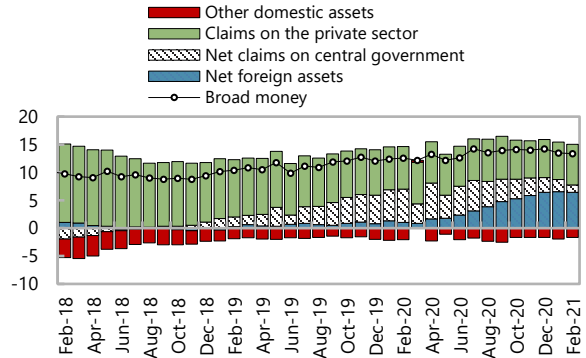
Excess liquid assets (as percent of total demand and time liabilities in the industry), in Jan 2021, reached 15.9 percent compared with 7.9 percent in Mar 2020.

Excess Liquid Assets (as percent of total time and demand liabilities) 2/, Jan 2018-Jan 2021



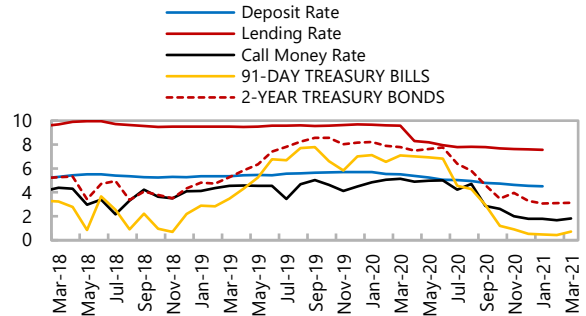
Broad money (M2), at end-Feb 2021, grew by 13.4 percent with private sector credit and net foreign assets contributing 7.2 and 6.4 percentage points, respectively, to this growth.

Contributions to Broad Money (M2) Growth
Feb 2018-Feb 2021 (y/y, in percentage points)



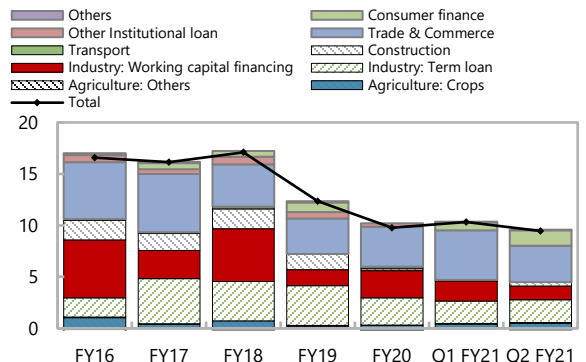
Interest rates, which have declined since April 2020-reflecting an easing in the money market, slightly edged up in Mar 2021.

Interest Rates 1/
Mar 2018-Mar 2021 (in percentage points)



Growth of bank advances to the private sector edged down to 9.5 percent in Q2 FY21 mostly driven by lower advances to trade and commerce, and industrial working capital financing

Economic Purpose-wise Contributions to Bank Advances' Growth (Private Sector)
FY16-Q2 FY21 (y/y, in percentage point)

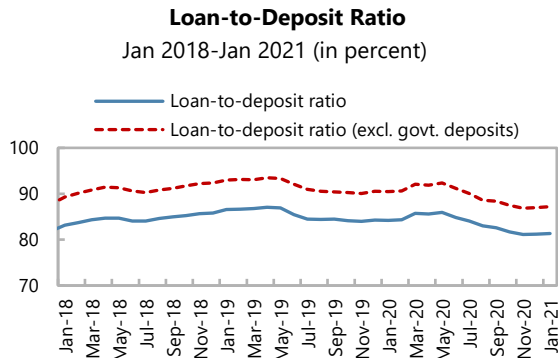


1/ Call money rate, 91-Day Treasury Bills rate, and 2-Year Treasury Bonds rate are as on Mar 22nd, 2021.

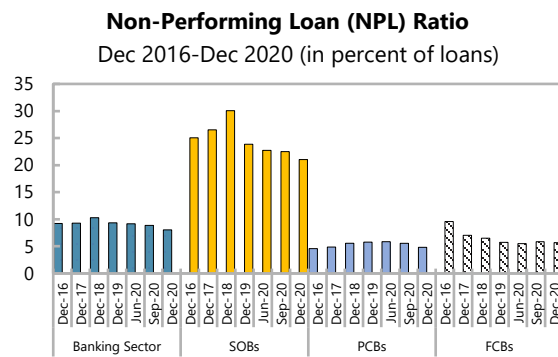
2/ Excess Liquidity is statutory liquidity eligible liquid assets of banks minus statutory liquidity (excluding cash reserve). Excess Reserve is balance with Bangladesh Bank in local currency minus required cash reserve. These are provisional data taken from Bangladesh Bank's Department of Off-Site Supervision. Sources: Bangladesh Bank; and IMF Staff calculations

Bangladesh: Monetary and Financial Market Developments... Contd.

The loan-to-deposit ratio, in Jan 2021, declined to 81.3 percent from 85.9 percent in May 2020. During the period, the ratio (excluding government deposits) decreased from 92.3 percent to 87.2 percent.

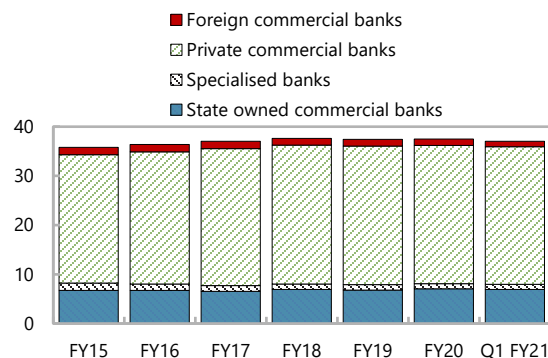


Banking sector's NPL ratio, in Dec 2020, decreased to 8.1 percent from 9.3 percent in Dec 2019. In SOBs, the ratio has down to 21 percent (from 23.9 percent), and to 4.8 percent (from 5.8 percent) in the case of private commercial banks (PCBs).



Banking sector advance-GDP ratio, at end-Q1 FY21, reached 37.1 percent slightly lower than the 37.5 percent at end-FY20.

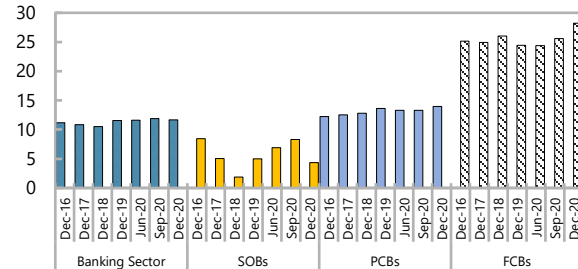
**Banking Sector Advance-GDP ratio 1, 2/
FY15- Q1 FY21 (in percent of GDP)**



1/ Two of the four specialised banks became state-owned commercial banks in FY15. 2/ Q1 FY21 GDP data is annualized using provisional GDP of FY20, and IMF staff projected GDP for FY21. 3/ Due to the COVID-19 pandemic, in Apr 2020 there was no stock market transaction.
Sources: Bangladesh Bank; and IMF Staff calculations

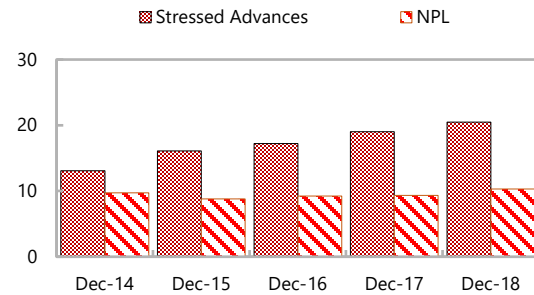
CAR of the banking industry, at Dec 2020, reached 11.6 percent from 11.6 percent in Dec 2019. CAR of the state-owned banks (SOBs), in Dec 2020, decreased to 4.3 percent from 5 percent in Dec 2019 remaining below the regulatory requirement of 10 percent.

Capital Adequacy Ratio (CAR)
Dec 2016-Dec 2020 (in percent)



Stressed advances in the banking industry (sum of NPLs, rescheduled and restructured loans), at end-Dec 2018, accounted for 20.5 percent of outstanding loans.

Stressed Advances
Dec 2014-Dec 2018 (in percent of loans)



Following a steady decline since Mar 2019, the 3-mma DSE Broad index has been picking up since Jun 2020.

**Dhaka Stock Market Performance 3/
Feb 2018-Feb 2021**

(3-month moving average)

