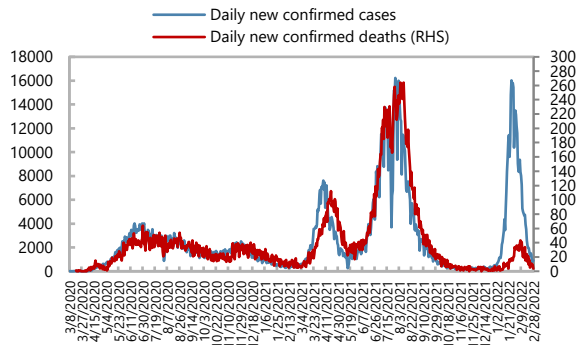


Bangladesh: Selected Indicators

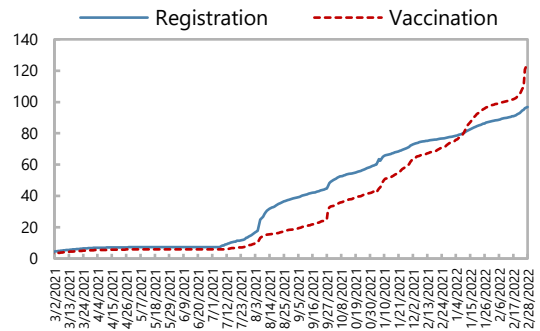
Both infections and deaths, which had been picking up since end-December, are now declining again.

New confirmed cases of and deaths due to COVID-19
Mar 8, 2020 - Feb 28, 2022



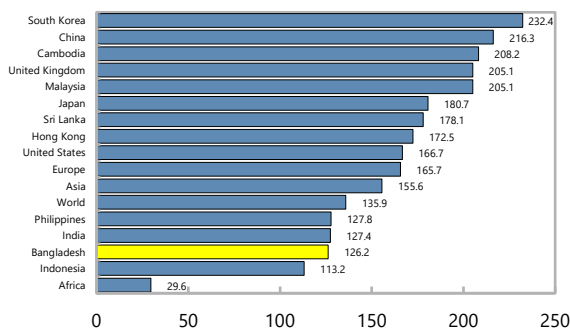
Vaccinations have picked up with the 'special vaccination drive' earlier in February.

Registrations and people received vaccination 1/
Mar 2, 2021-Feb 28, 2022 (in Millions)



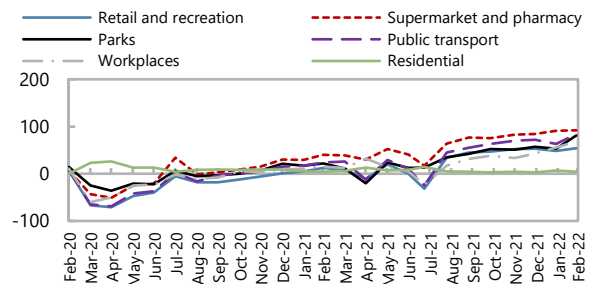
Bangladesh is catching up, but still fall below the Asian average for vaccine doses administered (per 100 people).

COVID-19 vaccine doses administered per 100 people as on February 28, 2022, unless otherwise mentioned 2/



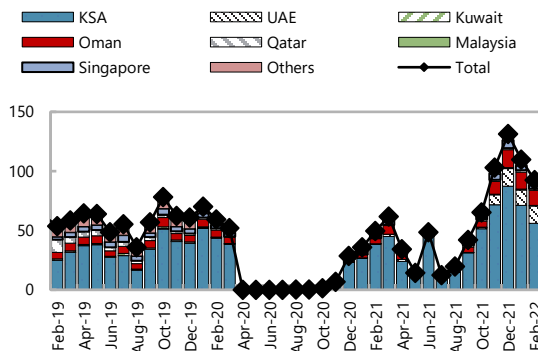
The continued pick-up in mobility, starting August, reflects the pick-up in economic activity in FY22.

Community mobility changes 3/
Feb 2020-Feb 2022 (percent change from baseline)



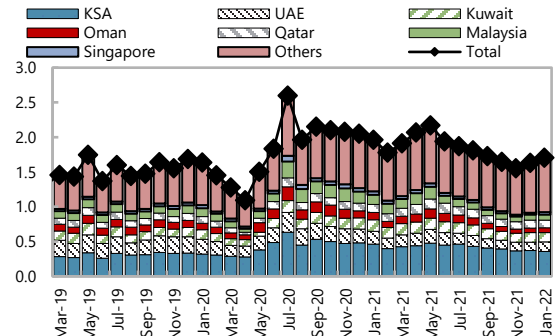
Migrant worker outflows have slowed in the last months, after a pick-up since July 2021.

Overseas employment: country-wise migrant outflows
Feb 2019- Feb 2022 (in thousands)



Remittance inflows continue to trend up, but flows remain lower than those from the same period last year.

Wage earners' remittance inflows: country wise
Feb 2019- Dec 2021 (in Billion USD)



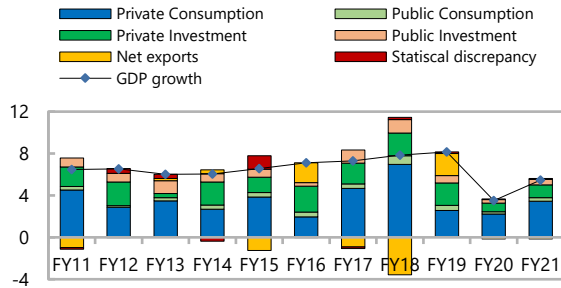
1/ Vaccination data takes into account only the first-dose receivers. As on Feb 28, 2022, 84.3 million people received the second dose. 2/ For vaccines that require multiple doses, each individual dose is counted. As the same person may receive more than one dose, the number of doses per 100 people can be higher than 100. China, Hong Kong, Cambodia and Philippines data are as on Feb 27th, 2021, while Indonesia data is as on Jan 31st, 2022. 3/ The baseline is the median value, for the corresponding day of the week, during the five-week period 3 Jan-6 Feb 2020. Jan 2022 data is as of Jan 31st, 2022.

Sources: Directorate General of Health Services, Ministry of Health and Family Welfare, Bangladesh; Our World in Data; Google's COVID-19 Community Mobility Reports; Bureau of Manpower Employment and Training (BMET), Bangladesh; and IMF staff calculations

Bangladesh: Real Sector Developments

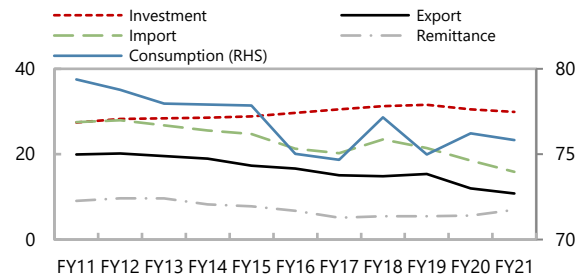
Provisional official data points to growth supported by private consumption, and a slight recovery of private investment and net exports in FY21.

Contributions to Real GDP Growth 1/
FY11-FY21 (y/y, in percentage points)



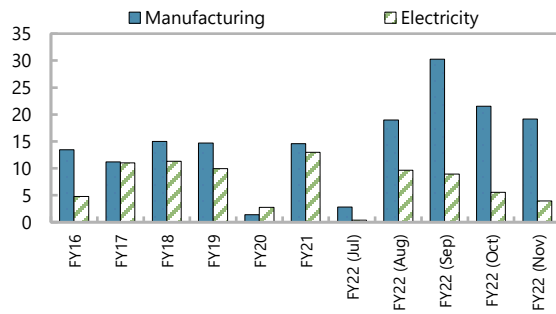
Consumption to GDP ratio, in FY21, fell slightly while the investment to GDP ratio remained flat.

Selected Indicators' Share in Nominal GDP 1/
FY11-FY21 (in percent)



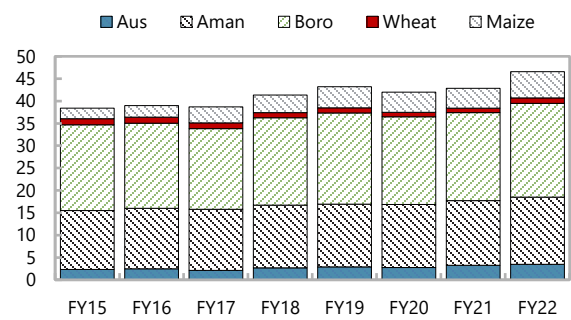
The y/y growth of the quantum indices highlight a pickup in activity in FY22 thus far.

Quantum Index of Medium and Large-Scale Manufacturing Industries and Electricity 1/
FY16-FY22 (Nov) (y/y growth, in percent)



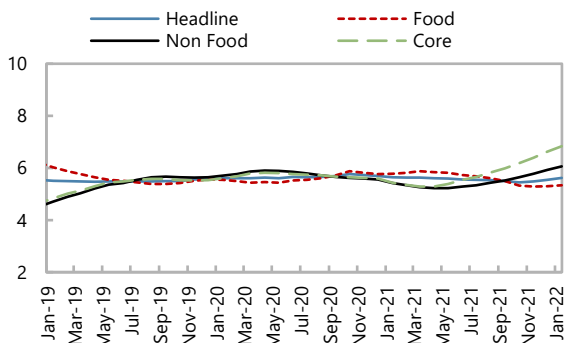
Rice production target, in FY22, was set at 39.5 MMT reflecting the actual production in FY21 (37.4 MMT). Total target for wheat and maize, in FY22, was set at 7.1 MMT reflecting the outturn of 5.5 MMT in FY21.

Major Food Grains Production 2/
FY15-FY22 (Million Metric Tons (MMT))



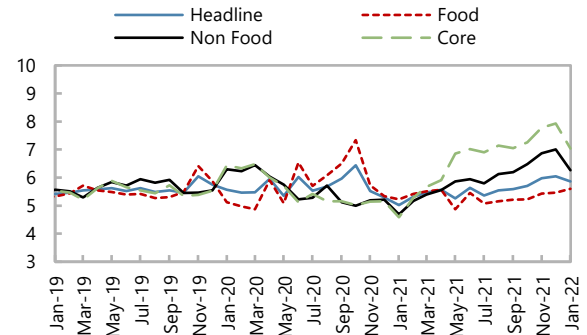
Twelve-month average headline inflation has continued to creep up since the start of the fiscal year.

Twelve Month Average Inflation
Jan 2019-Jan 2022 (y/y, in percent)



Headline inflation declined to 5.9 percent with food inflation reaching 5.6 percent and non-food reaching 6.3 percent.

Point-to-Point Inflation
Jan 2018-Jan 2022 (y/y, in percent)



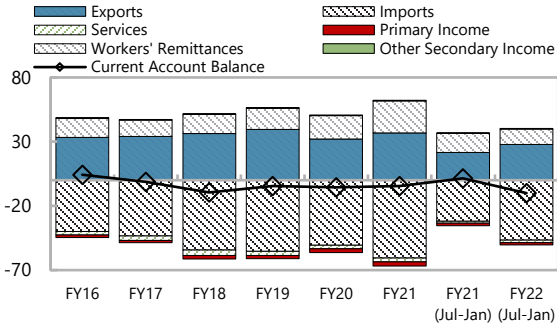
1/ FY21 and FY22 data are provisional. 2/ FY21 data are actual, while FY22 data are production targets.

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

Bangladesh: External Sector Developments

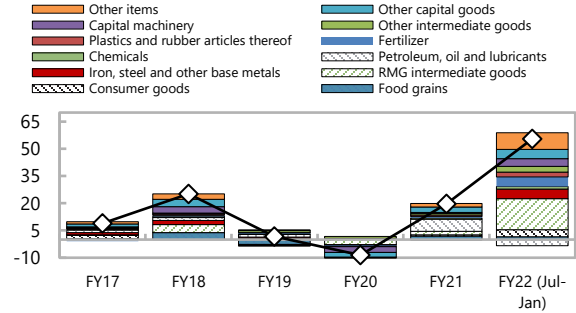
Current account deficit, in FY22 (Jul-Jan), reached USD 10.1 billion, compared with USD 1.6 billion surplus in FY21 (Jul-Jan).

Current Account Balance Components 1/
FY16-FY22 (Jul-Jan) (in billion USD)



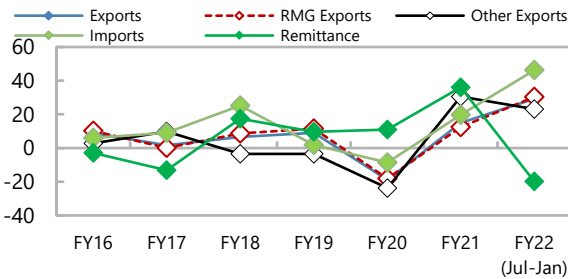
RMG related intermediate goods contributed the most to the overall growth in imports in FY22 (Jul-Jan).

Item-wise Contributions to Import Growth 2/
FY17-FY22 (Jul-Jan), (y/y growth, in percentage points)



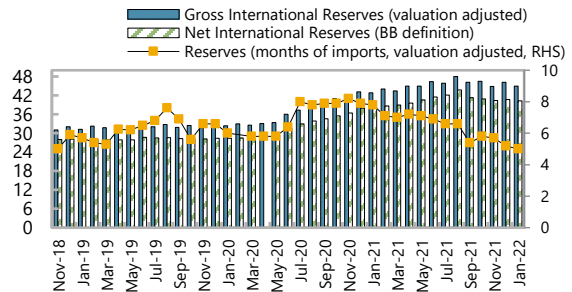
Remittances, y/y in FY22 (Jul-Jan), declined by 20 percent while exports grew by 29.2 percent and imports by 46.2 percent in the same period.

Major Balance of Payments Components 3/
FY16-FY22 (Jul-Jan) (y/y growth, in percent)



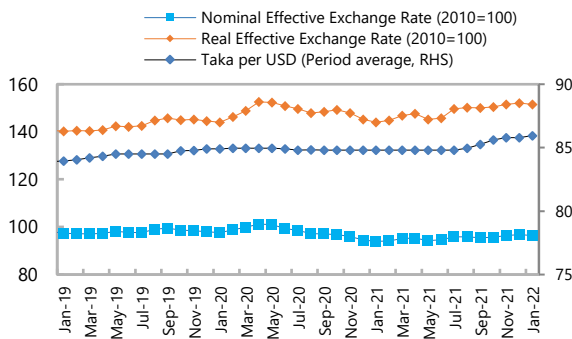
Reflecting the pick-up in import payments, international reserve coverage continues to decline.

International Reserves 4/
Nov 2018-Jan 2022, (Billion USD)



Trade competitiveness has somewhat improved, mostly reflecting the depreciation relative to the currency basket of trading partners.

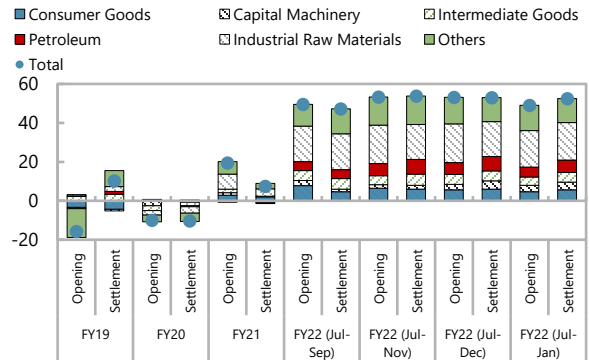
Exchange Rates
Jan 2019-Jan 2022



Both letters of credit (LC) opening, and settlement have been picking up in FY22.

Sector-wise contributions to total LC opening and settlement

FY19-FY22 (Jul-Jan) (y/y, in percentage points)



1/ FY22 (Jul-Dec) 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.

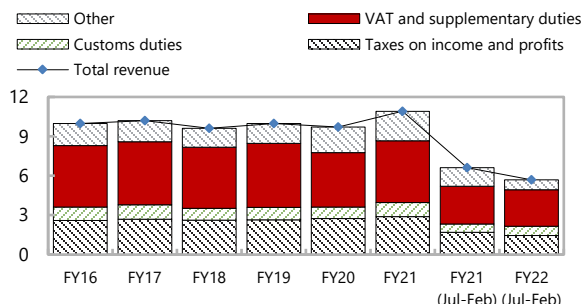
Sources: Bangladesh Bank; Export Promotion Bureau (EPB); and IMF staff calculations

Bangladesh: Fiscal Sector Developments 1/

Total revenue-GDP ratio, in FY22 (Jul-Feb), was 5.7 percent compared with 6.6 in FY21 (Jul-Feb). VAT and the supplementary duties-GDP ratio, during the same period, decreased from 2.9 percent to 2.8 percent.

Central Government Revenue

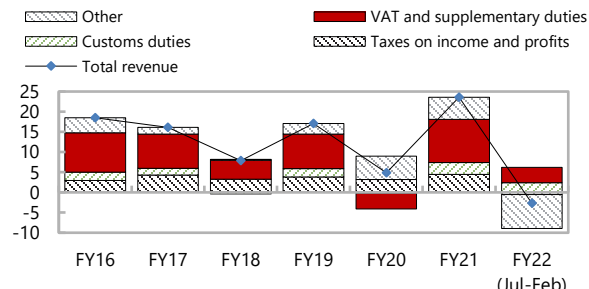
FY16-FY22 (Jul-Feb) (In percent of GDP)



Preliminary data suggests that total revenue, in FY22 (Jul-Feb), has decreased by 2.7 percent (y/y) and the decrease in taxes on others has had the largest impact.

Contribution to Total Revenue Generation

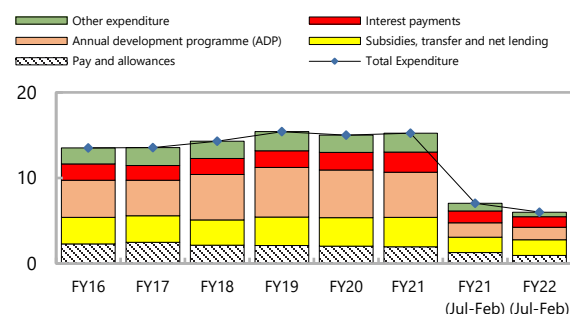
FY16-FY22 (Jul-Feb) (In percentage points)



Total expenditure-GDP ratio, in FY22 (Jul-Feb), decreased from 7.1 percent to 6.0 percent. During the same period, ADP execution decreased from 1.7 percent to 1.5 percent of GDP.

Central Government (CG) Expenditure

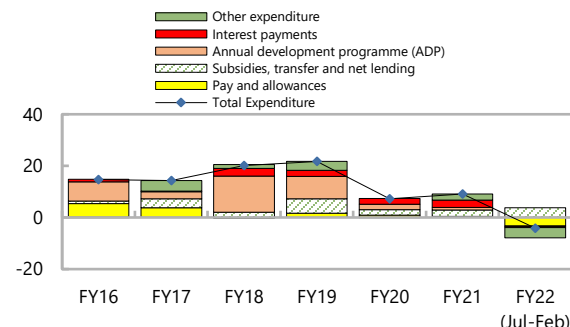
FY16-FY22 (Jul-Feb) (In percent of GDP)



Total expenditure, in FY22 (Jul-Feb), decreased by 4.1 percent (y/y), where interest payments contributed 0.4 percentage points.

Contributions to CG's Expenditure Growth

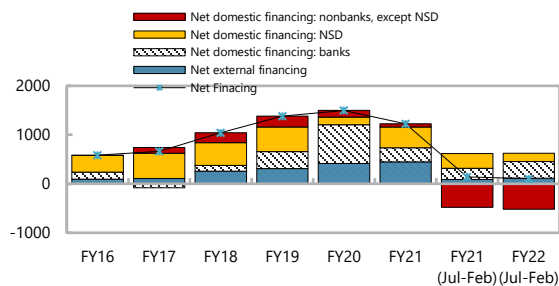
FY16-FY22 (Jul-Feb), (y/y, In percentage points)



Compared to the same period in the previous FY, the budget deficit in FY22 (Jul – Feb) has been primarily financed by bank borrowing.

Fiscal Balance and Sources of Financing

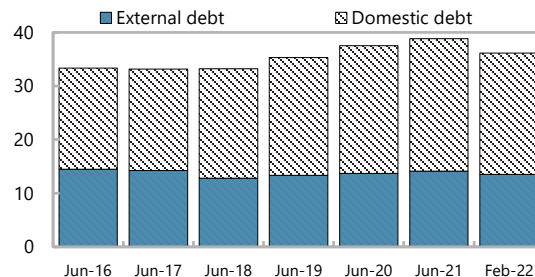
FY16-FY22 (Jul-Feb) (Billion Taka)



Total central government debt, at end-Feb 2022, reached 36.1 percent of GDP from 38.9 percent of GDP at end-Jun 2021. Domestic debt accounts for roughly two thirds of the total central government debt.

Central Government Debt

Jun 2016-Feb 2022 (In percent of GDP)



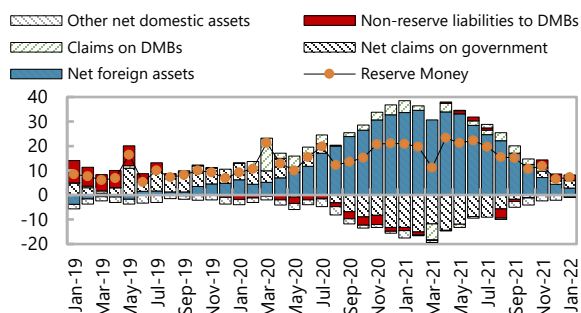
1/ FY21 fiscal data is provisional outturn from Bangladesh Bureau of Statistics (BBS) based on FY2005/06. FY22 (Jul-Feb) GDP data is annualized using provisional GDP estimate of Bangladesh Bureau of Statistics (BBS).

Sources: Office of the Controller General of Accounts (CGA), Ministry of Finance; and IMF Staff calculations

Bangladesh: Monetary and Financial Market Developments

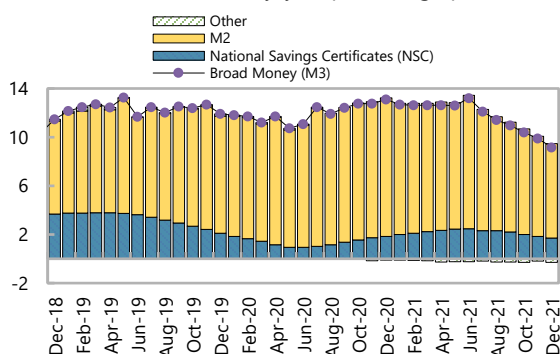
Reserve money, at end-Jan 2022, grew by 7.3 percent (y/y) compared with 19.7 percent (y/y) in Jan 2021, mainly driven by net claims on government.

Contributions to Reserve Money Growth
Jan 2019-Jan 2022 (y/y, in percentage points)



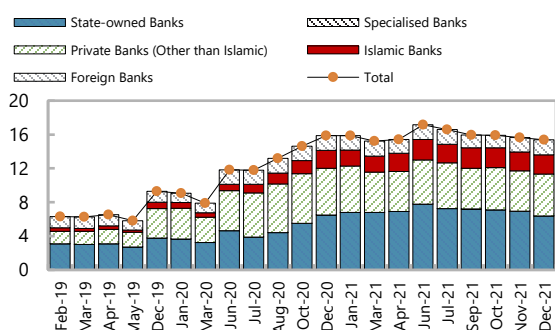
Broad money (M3) growth reached 9.2 percent, in Dec 2021, with M2 and NSC sales accounting for 7.8 and 1.7 percentage points respectively.

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



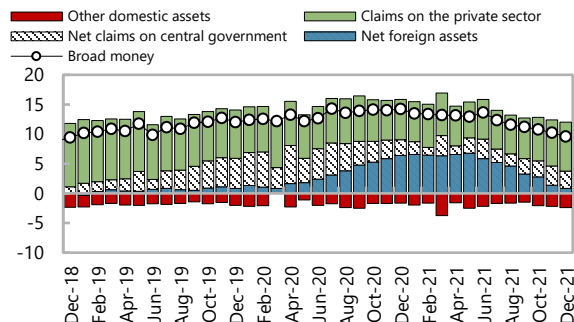
Excess liquid assets (as percent of total demand and time liabilities), in Dec 2021, reached 15.4 percent compared with 15.9 percent in Dec 2020.

Excess Liquid Assets (as percent of total time and demand liabilities) 2/
Feb 2019-Dec 2021



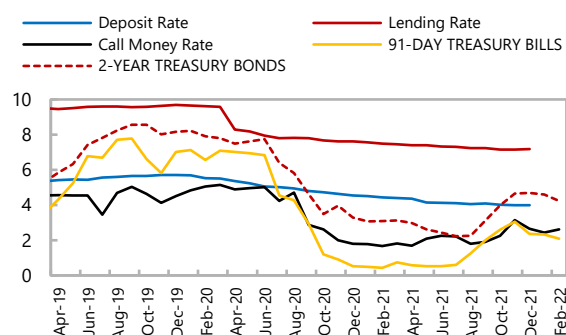
Broad money (M2), at end-Dec 2021, grew by 9.6 percent with private sector credit and net foreign assets contributing 8.2 and 0.8 percentage points, respectively, to this growth.

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



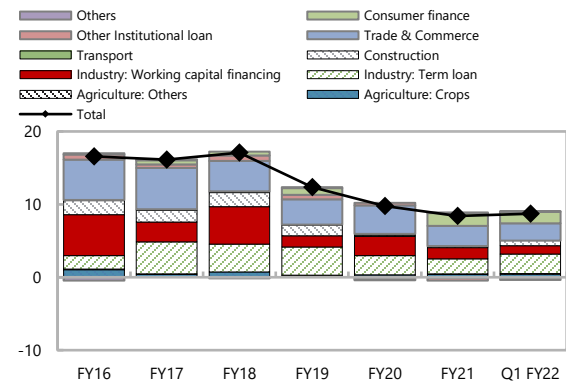
Interest rates, which had been on an increasing trend-have started to decrease.

Interest Rates 1/
Apr 2019-Feb 2022 (in percentage points)



Growth of bank advances to the private sector remained flat at around 8.7 percent in Q1 FY22. The growth was mostly driven by advances to trade and commerce, and industrial term loan.

Contributions to Growth of Bank Advances (Private Sector) by Economic Purposes
FY16- Q1 FY22 (y/y, in percentage points)



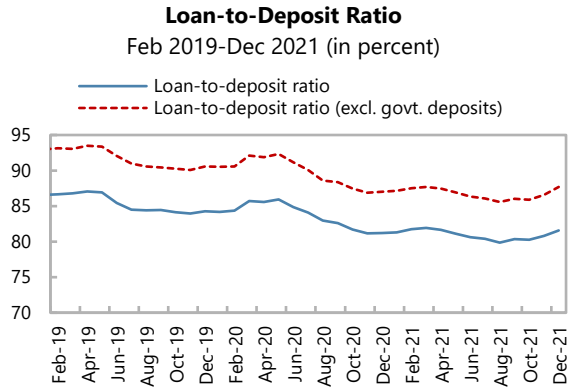
1/ Deposit and Lending rate are as on December 31st, 2021.

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.

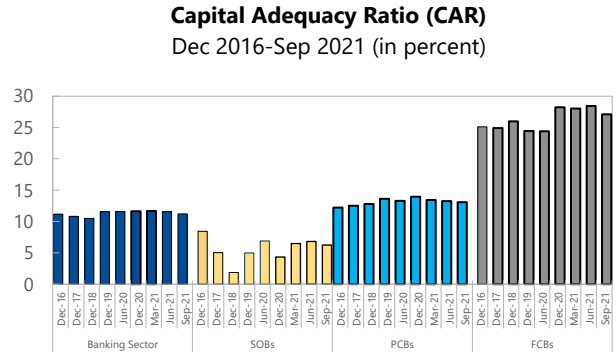
Sources: Bangladesh Bank; and IMF Staff calculations

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

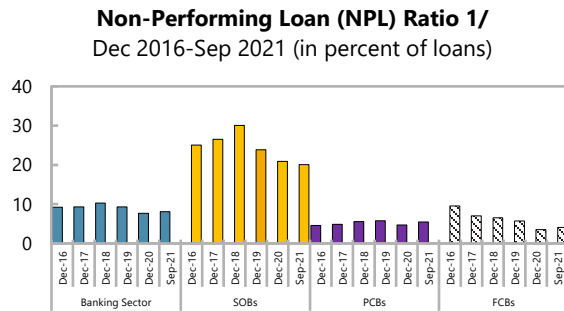
The loan-to-deposit ratio, in Dec 2021, increased to 81.6 percent close to the level of Apr 2021. During the period, the ratio (excluding government deposits) decreased from 87.7 percent to 86.5 percent.



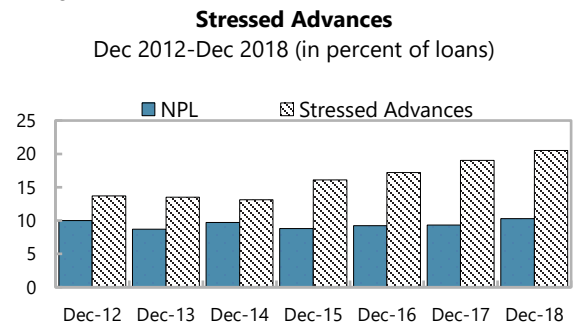
CAR of the banking industry, at Sep 2021, decreased to 11.2 from 11.6 percent in Dec 2020. CAR of the SOBs, in Sep 2021, increased to 6.3 percent from 4.3 percent in Dec 2020 remaining below the regulatory requirement of 10 percent.



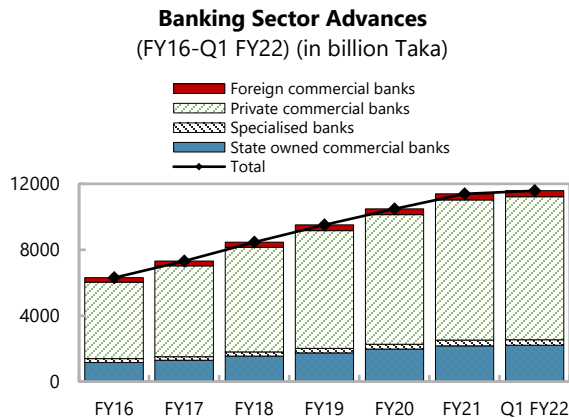
Banking sector's NPL ratio, in Sep 2021, increased to 8.1 percent from 7.7 percent in Dec 2020. In SOBs, the ratio remained at about 20.1 percent, and increased to 5.5 percent in the case of PCBs.



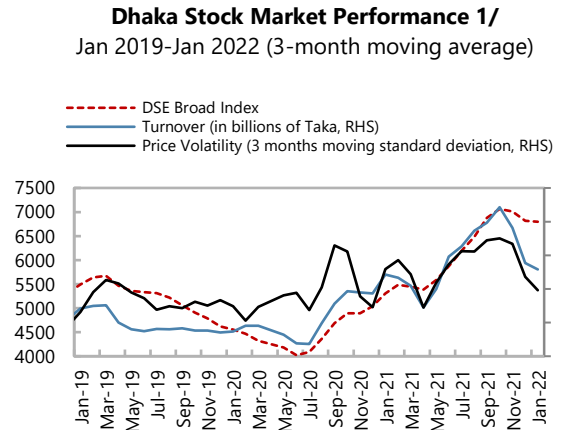
Stressed advances in the banking industry (sum of NPLs, rescheduled and restructured loans), at end-Dec 2018, accounted for 20.5 percent of outstanding loans.



Banking sector advances, at end-Q2 FY22, reached Tk.11579 billion, where private commercial banks accounted for Tk. 8680 billion.



The 3-mma DSE broad index, turnover, and price volatility, continued to trend down after peaking in the fall of 2021.



1/ Due to the COVID-19 pandemic, in Apr 2020 there was no stock market transaction.
Sources: Bangladesh Bank; and IMF Staff calculations