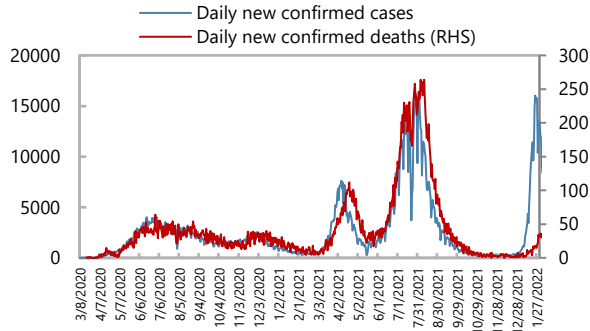


Bangladesh: Selected Indicators

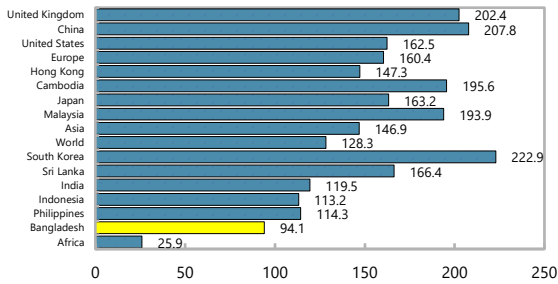
Both infections and deaths have been picking up - reflecting a surge in the Omicron variant.

New confirmed cases of and deaths due to COVID-19
Mar 8, 2020 - Jan 31, 2022



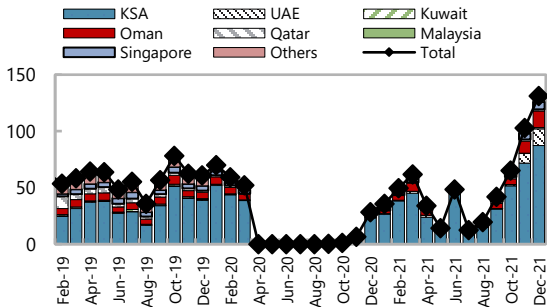
Bangladesh continues to fall below the Asian average for vaccine doses administered (per 100 people).

COVID-19 vaccine doses administered per 100 people as on January 31, 2022, unless otherwise mentioned 2/



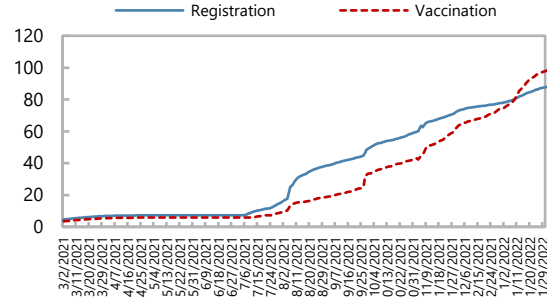
Migrant worker outflows have recovered, reflecting the removal of international travel bans.

Overseas employment: country-wise migrant outflows
Feb 2019- Dec 2021 (in thousands)



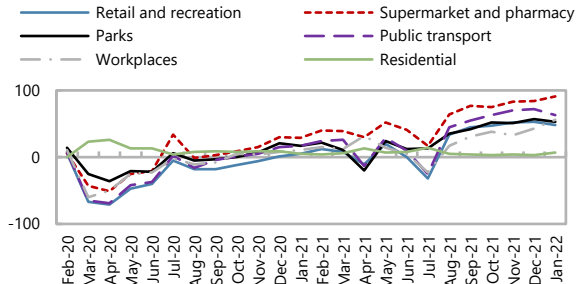
Vaccination rollout has been picking up with approximately 36.5 percent of population having received two doses of vaccinations.

Number of registration and people received vaccination 1/
Mar 2, 2021-Jan 31, 2022 (in Millions)



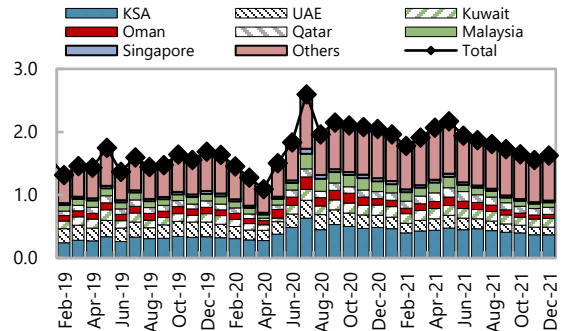
The continued pick-up in mobility, starting August, reflects the pick-up in economic activity in FY22.

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



Reversing the downward trend, since the start of the fiscal year, remittance inflows more recently have started to pick up.

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

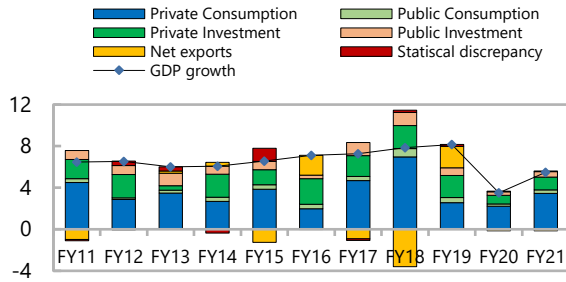


1/ Vaccination data takes into account only the first-dose receivers. As on Jan 31, 2022, 62.1 million people received the second dose. 2/ For vaccines that require multiple doses, each individual dose is counted. As the same person may receive more than one dose, the number of doses per 100 people can be higher than 100. United Kingdom data are as on Jan 30th, 2021, while Bangladesh data is as on Jan 26th, 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.

Bangladesh: Real Sector Developments

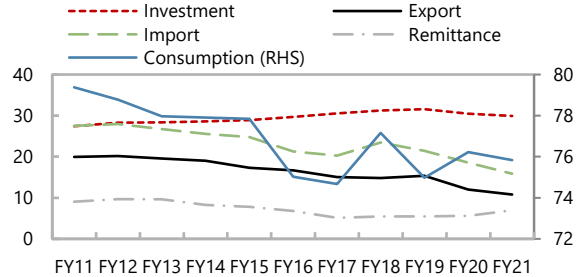
Provisional official data shows continued support to growth by private consumption and a slight recovery of private investment and net exports in FY21.

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



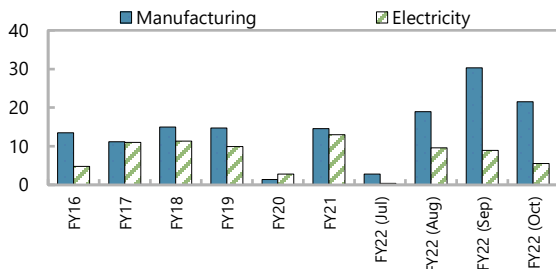
Consumption to GDP ratio, in FY21, fell slightly while the investment to GDP ratio remained flat.

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



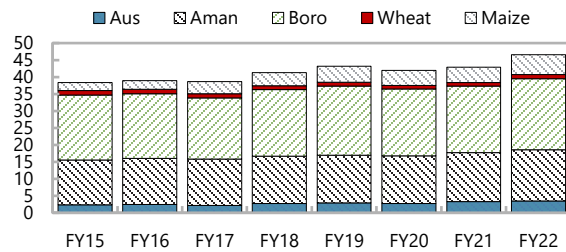
The y/y growth of the quantum indices highlight a pickup in activity in FY22 thus far.

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



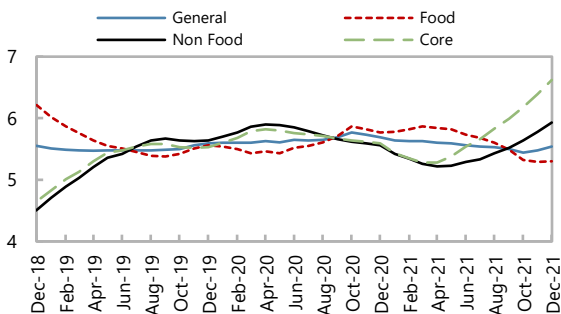
Rice production target, in FY22, was set at 39.5 MMT reflecting the actual production in FY21 (37.4 MMT). Total target for wheat and maize, in FY22, was set at 7.1 MMT reflecting the output of 5.5 MMT in FY21.

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



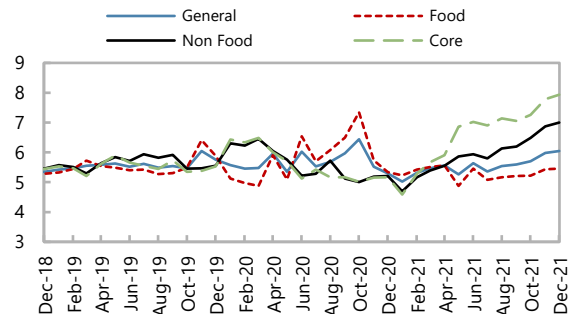
Twelve-month average headline inflation has been creeping up since the start of the fiscal year.

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



Headline inflation, in Dec 2021, exceeded 6 percent with food inflation reaching 5.5 percent and non-food reaching 7.0 percent.

Point-to-Point Inflation
Dec 2018-Dec 2021 (y/y, in percent)



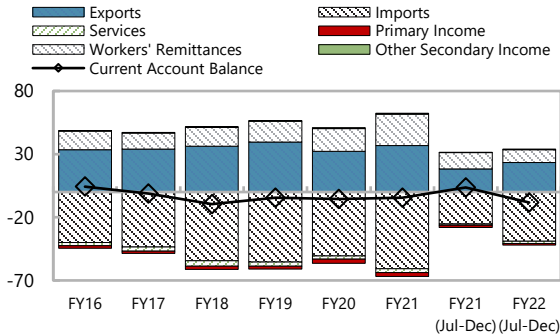
1/ FY21 and FY22 data are provisional. 2/ FY21 data are actual, while FY22 data are production targets.

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

Bangladesh: External Sector Developments

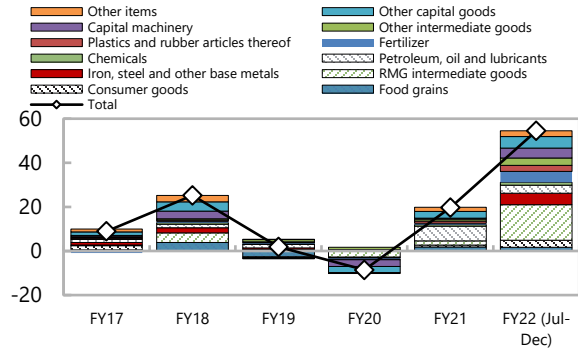
Current account deficit, in FY22 (Jul-Dec), reached USD 8.2 billion, compared with USD 3.5 billion surplus in FY21 (Jul-Dec).

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



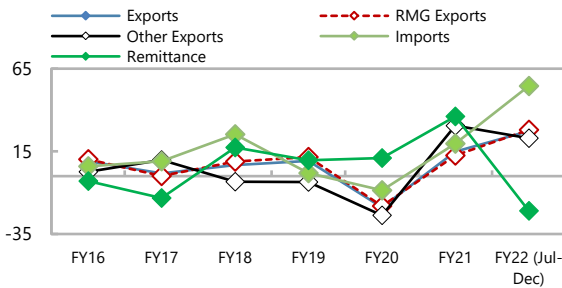
RMG related intermediate goods contributed the most to the overall growth in imports in FY22 (Jul-Dec).

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



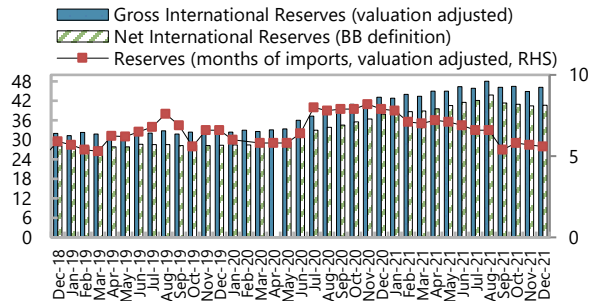
Remittances, y/y in FY22 (Jul-Dec), declined by 21 percent while exports grew by 27.3 percent and imports by 54.5 percent in the same period.

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



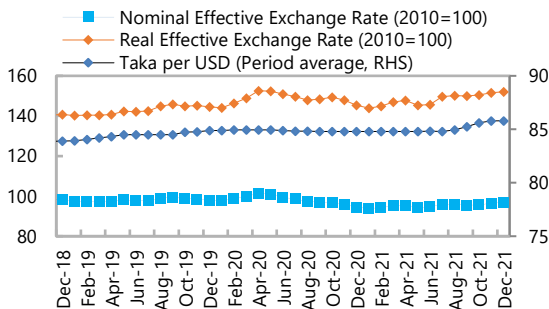
Reflecting the pick-up in import payments, international reserve coverage continues to decline.

International Reserves 4/
Dec 2018-Dec 2021, (Billion USD)



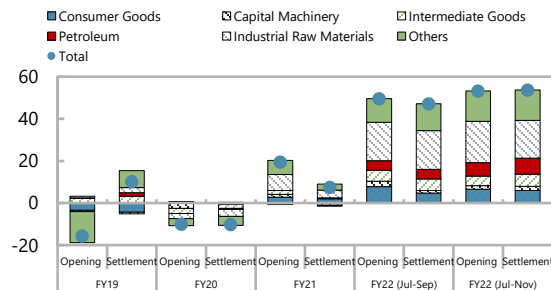
Trade competitiveness has somewhat improved, mostly reflecting the depreciation relative to the currency basket of trading partners.

Exchange Rates
Dec 2018-Dec 2021



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-Nov) (y/y, in percentage points)



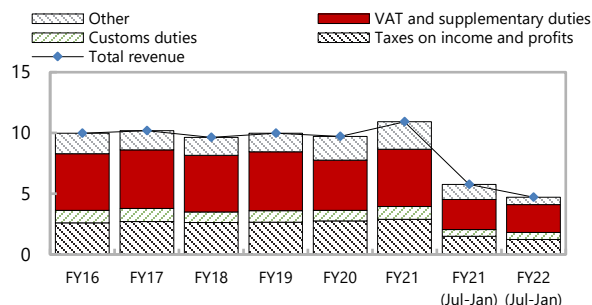
1/ FY22 (Jul-Dec) data are provisional. 2/ Data are recorded by customs. 3/ Exports and imports are f.o.b. data. 4/ Net international reserve (NIR) is gross international reserves (excluding investment on bonds below the grade BBB, Silver Acquisition A/C, deposit with Rupali Bank, Pakistan & deposit 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/

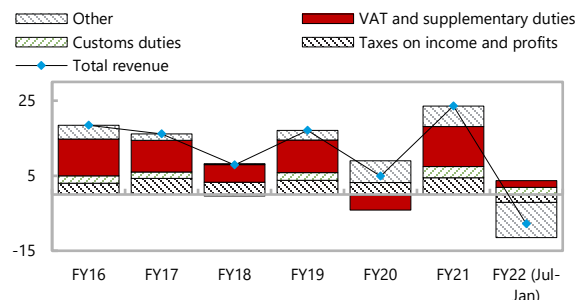
Total revenue-GDP ratio, in FY22 (Jul-Jan), was 4.7 percent compared with 5.8 in FY21 (Jul-Jan). VAT and the supplementary duties-GDP ratio, during the same period, decreased from 2.5 percent to 2.3.

Central Government Revenue
FY16-FY22 (Jul-Jan) (In percent of GDP)



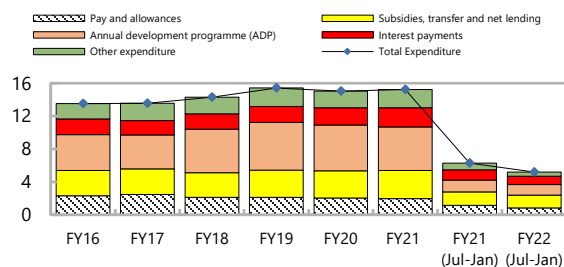
Preliminary data suggests that total revenue, in FY22 (Jul-Jan), has decreased by 7.8 percent (y/y) and the decrease in taxes on others has had the largest impact.

Contribution to Total Revenue Generation
FY16-FY22 (Jul-Jan) (In percentage points)



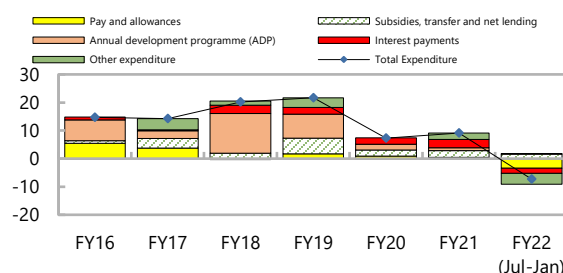
Total expenditure-GDP ratio, in FY22 (Jul-Jan), decreased from 6.3 percent to 5.2 percent. During the same period, ADP execution decreased from 1.4 percent to 1.3 percent of GDP.

Central Government (CG) Expenditure
FY16-FY22 (Jul-Jan) (In percent of GDP)



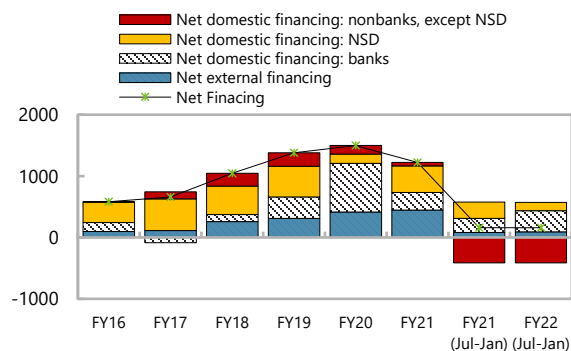
Total expenditure, in FY22 (Jul-Jan), decreased by 7.3 percent (y/y), where interest payments contributed 1.8 percentage points.

Contributions to CG's Expenditure Growth
FY16-FY22 (Jul-Jan), (y/y, In percentage points)



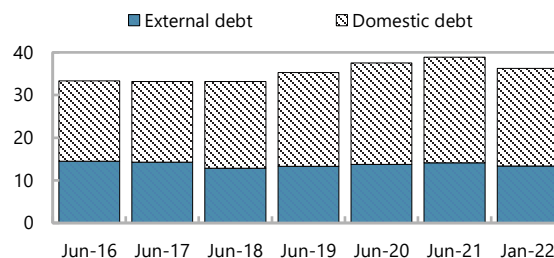
Compared to the same period in the previous FY, the budget deficit in FY22 (Jul – Jan) has been primarily financed by bank borrowing.

Fiscal Balance and Sources of Financing
FY16-FY22 (Jul-Jan) (Billion Taka)



Total central government debt, at end-Jan 2022, reached 36.2 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-Jan 2022 (In percent of GDP)



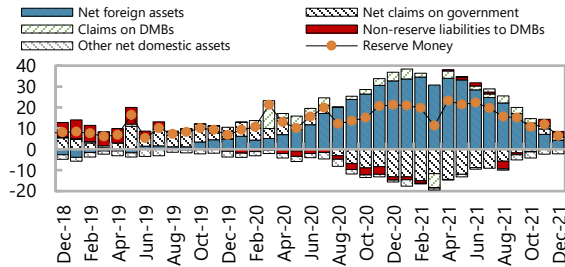
1/ FY21 fiscal data is provisional outturn from Bangladesh Bureau of Statistics (BBS) based on FY2005/06. FY22 (Jul-Jan) GDP data is annualized using provisional GDP estimate of Bangladesh Bureau of Statistics (BBS).

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

Bangladesh: Monetary and Financial Market Developments

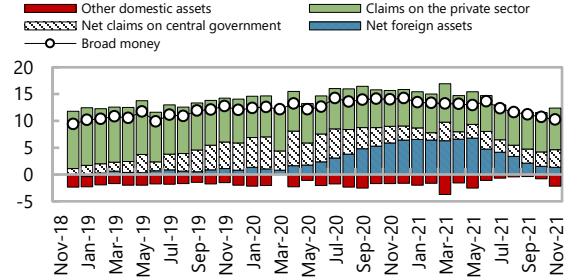
Reserve money, at end-Dec 2021, grew by 6.5 percent (y/y) compared with 21.2 percent (y/y) in Dec 2020, mainly driven by net foreign assets.

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



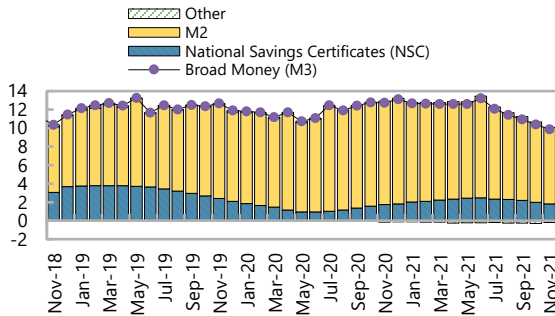
Broad money (M2), at end-Nov 2021, grew by 10.2 percent with private sector credit and net foreign assets contributing 7.8 and 1.4 percentage points, respectively, to this growth.

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



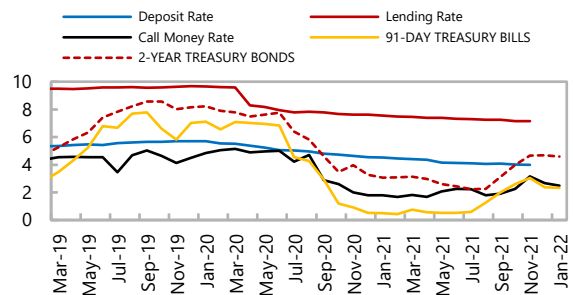
Broad money (M3) growth reached 9.9 percent, in Nov 2021, with M2 and NSC sales accounting for 8.3 and 1.8 percentage points respectively.

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



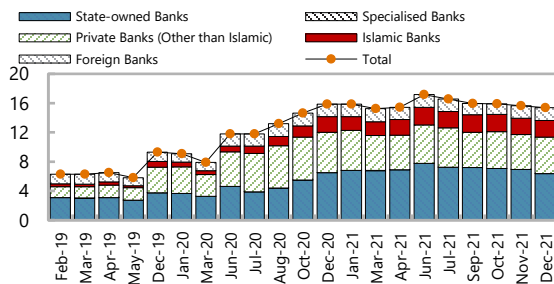
Interest rates, which had been on an increasing trend-have started to decrease.

Interest Rates 1/
Mar 2019-Jan 2022 (in percentage points)



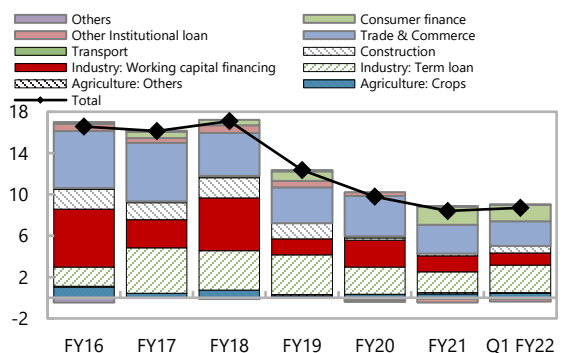
Excess liquid assets (as percent of total demand and time liabilities), in Dec 2021, reached 15.4 percent compared with 15.9 percent in Dec 2020.

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



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 November 30th, 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.

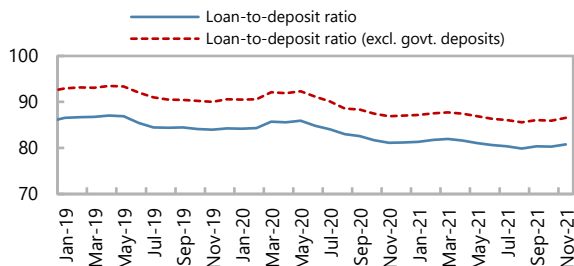
Sources: Bangladesh Bank; and IMF Staff calculations

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

The loan-to-deposit ratio, in Nov 2021, reached 80.8 percent from 81.6 percent in Apr 2021. During the period, the ratio (excluding government deposits) decreased from 87.4 percent to 86.5 percent.

Loan-to-Deposit Ratio

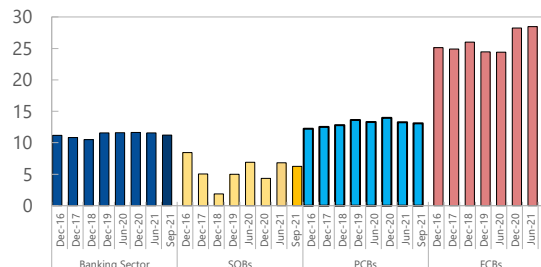
Jan 2019-Nov 2021 (in percent)



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.

Capital Adequacy Ratio (CAR)

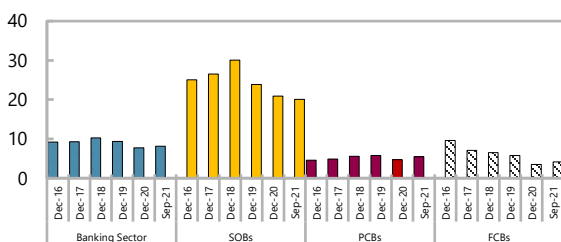
Dec 2016-Sep 2021 (in percent)



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.

Non-Performing Loan (NPL) Ratio 1/

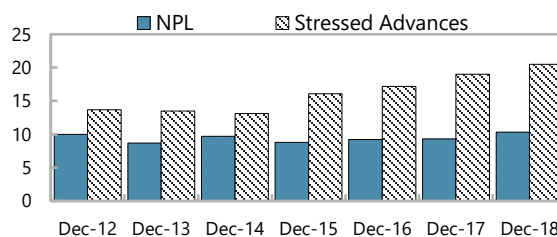
Dec 2016-Sep 2021 (in percent of loans)



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.

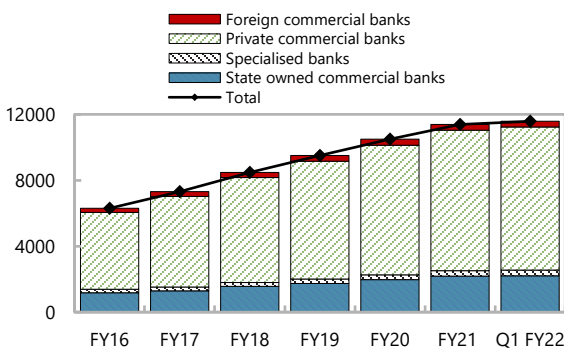
Stressed Advances

Dec 2012-Dec 2018 (in percent of loans)



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

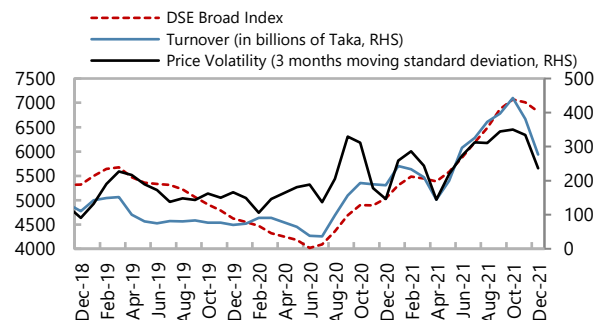
Banking Sector Advance (FY16-Q1 FY22) (in billion Taka)



The 3-mma DSE broad index, turnover, and price volatility, which had been picked up since May 2021, is starting to trend down.

Dhaka Stock Market Performance 1/

Dec 2018-Dec 2021 (3-month moving average)



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