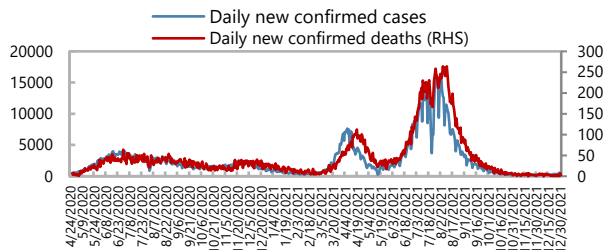


### Bangladesh: Selected Indicators

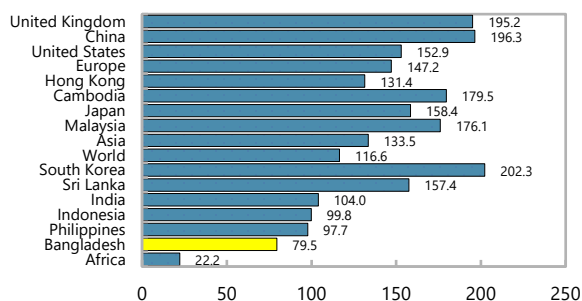
Both infections and deaths had subsided by early December 2021, before picking up again at year end.

**New confirmed cases of and deaths due to COVID-19**  
(Apr 24, 2020 - Dec 30, 2021)



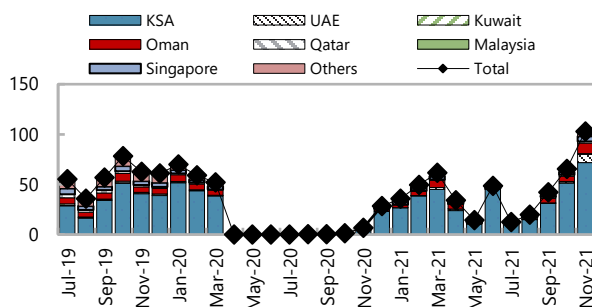
Bangladesh continues to fall below the Asian average for vaccine doses administered (per 100 people).

**COVID-19 vaccine doses administered per 100 people as on December 31, 2021 unless otherwise mentioned 2/**



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

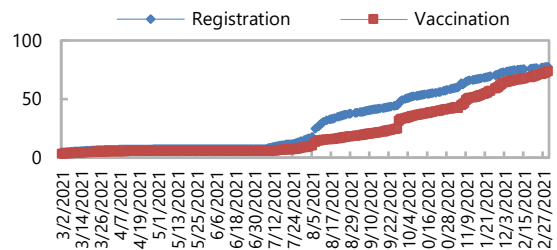
**Overseas employment: country-wise migrant outflows**  
Jul 2019- Nov 2021 (in thousands)



1/ Vaccination data takes into account only the first-dose receivers. As on Dec 30, 2021, 51.80 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. Cambodia, Philippines, United Kingdom and United Kingdom data are as on Dec 30<sup>th</sup>, 2021, while Bangladesh data is as on Dec 17, 2021. 3/ The baseline is the median value, for the corresponding day of the week, during the five-week period 3 Jan-6 Feb 2020. Dec 2021 data is as of Dec 31<sup>st</sup>, 2021.

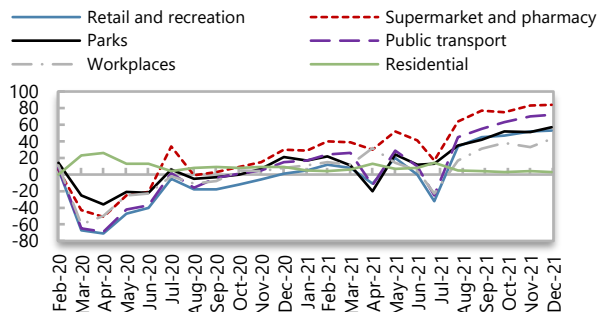
Vaccination rollout has been picking up with approximately 30.41 percent of population received two doses of vaccinations thus far.

**Number of registration and people received vaccination 1/**  
Mar 2, 2021-Dec 30, 2021 (in Millions)



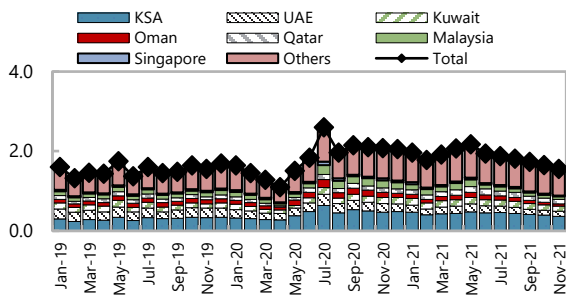
The continued pick-up in mobility, starting August, reflects the pick-up in economic activity in FY22.

**Community mobility changes 3/**  
Feb 2020-Dec 2021 (percent change from baseline)



Despite a resumption in travel, remittance inflows have been steadily trending down.

**Wage earners' remittance inflows: country wise**  
Jan 2019- Nov 2021 (in Billion USD)

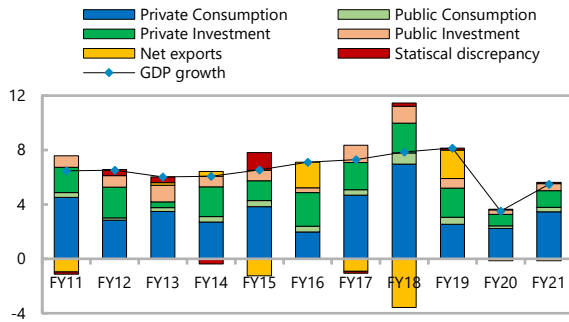


Sources: Directorate General of Health Services, Ministry of Health and Family Welfare, Bangladesh; Our World in Data; Google's COVID-19 Community Mobility Reports; Bureau of Manpower Employment and Training (BEMT), Bangladesh; and IMF staff calculations

## Bangladesh: Real Sector Developments

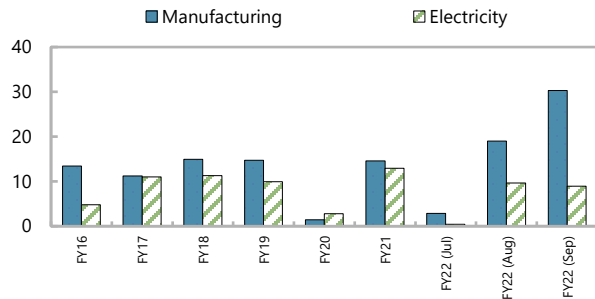
Provisional official data shows continued support to growth by private consumption and a slight recovery of private investment and net exports in FY21.

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



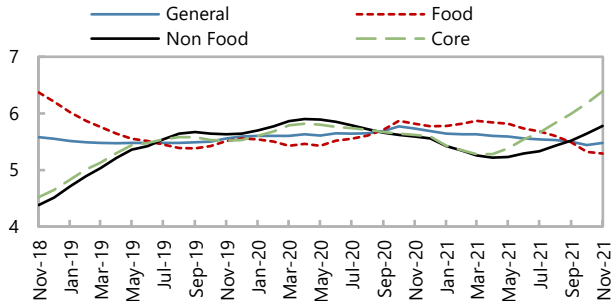
Compared with FY20, the y/y growth of the quantum indices highlight a pickup in the activity in FY21 and in the first quarter of FY22.

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



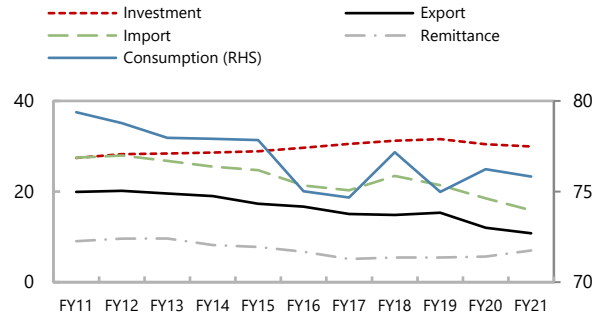
Twelve-month average headline inflation has been creeping up since the start of the fiscal year.

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



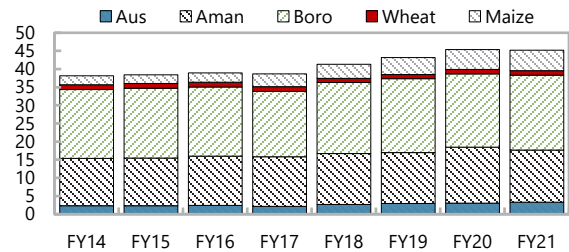
Consumption to GDP ratio, in FY21, fell slightly while the investment to GDP ratio remained flat.

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



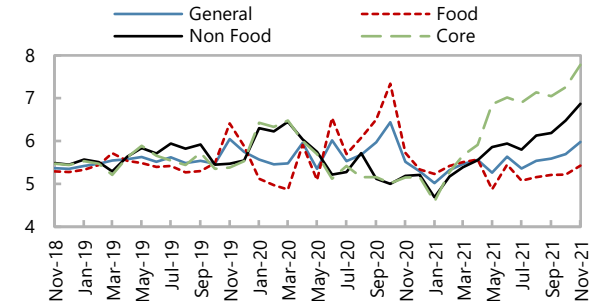
Rice production target, in FY21, was set at 36.2 MMT reflecting the actual production in FY20 (38.7 MMT). Total target for wheat and maize, in FY21, was set at 7 MMT reflecting the outturn of 6.7 MMT in FY20.

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



Headline inflation, in Nov 2021, increased to 6 percent with food inflation reaching 5.43 percent and non-food reaching 6.9 percent.

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



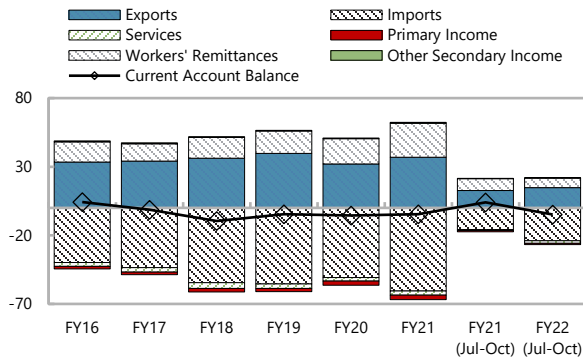
1/ FY21 and FY22 data are provisional. 2/ FY21 Aus, Aman and wheat data are actual, while Boro and Maize data are the production targets.

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

## Bangladesh: External Sector Developments

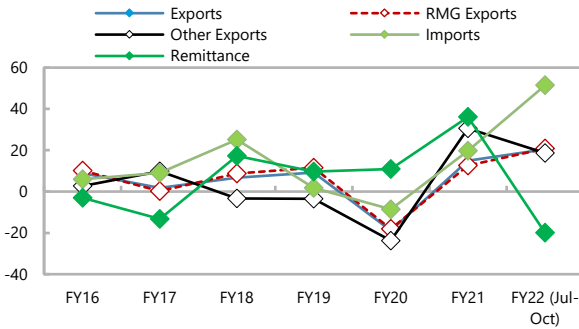
Current account deficit, in FY22 (Jul-Oct), reached USD 4.8 billion deficit, compared with the USD 4 billion surplus in FY21 (Jul-Oct).

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



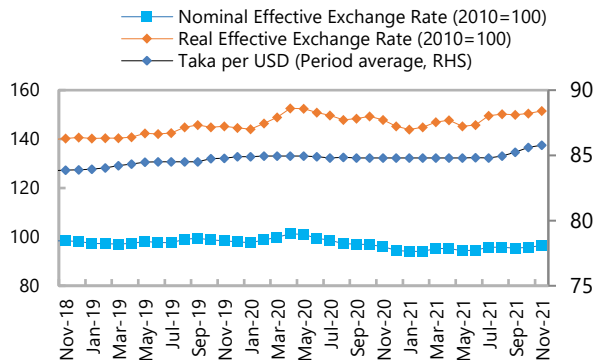
Remittances, y/y in FY22 (Jul-Oct), declined by 20 percent. Exports grew 20.5 percent, while imports by 51 percent in the same period.

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



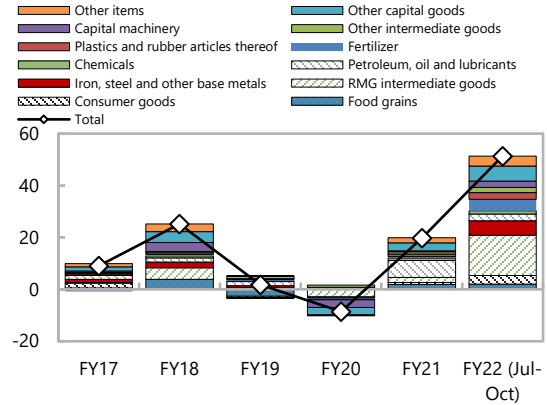
Trade competitiveness has somewhat improved, mostly reflecting the depreciation relative to the currency basket of trading partners.

**Exchange Rates**  
Nov 2018-Nov 2021



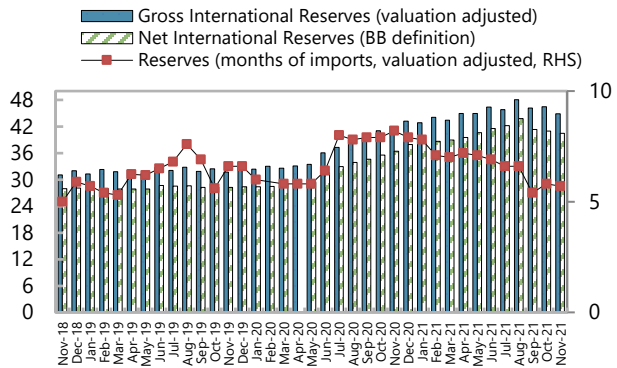
RMG related Intermediate goods contributed the most to the overall growth in imports in FY22 (Jul-Oct).

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



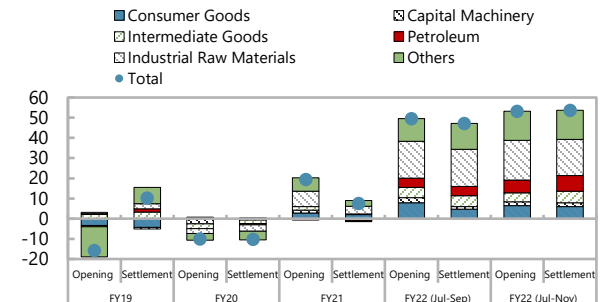
Reflecting the pick-up in import payments, international reserve coverage has started to decline.

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



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

**Sector-wise -to- total LC opening and settlement**  
(FY19-FY22 (Jul-Nov) (y/y, in percentage points)



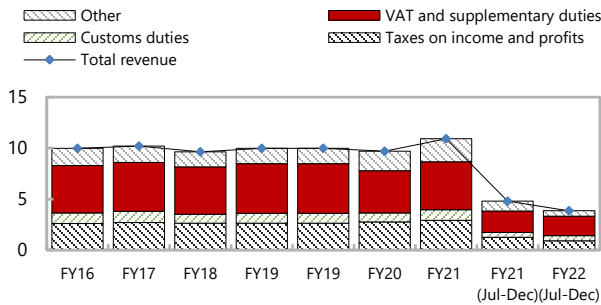
1/ FY22 (Jul-Oct) data are provisional. 2/ Data are recorded by customs. 3/ Exports and imports are f.o.b. data. 4/ Net international reserve (NIR) is gross international reserves (excluding investment on bonds below the grade BBB, Silver Acquisition A/C, deposit with Rupali Bank, Pakistan & deposit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

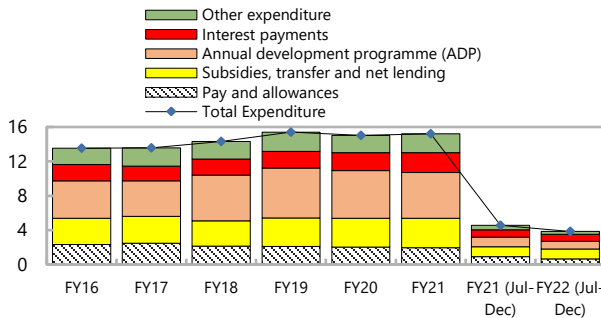
Total revenue-GDP ratio increased to 10.9 percent in FY21. Total revenue-GDP ratio, in FY22 (Jul-Dec), was 3.8 percent compared with 4.8 in FY21 (Jul-Dec). VAT and the supplementary duties-GDP ratio, during the same period, decreased from 2.1 percent to 1.9.

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



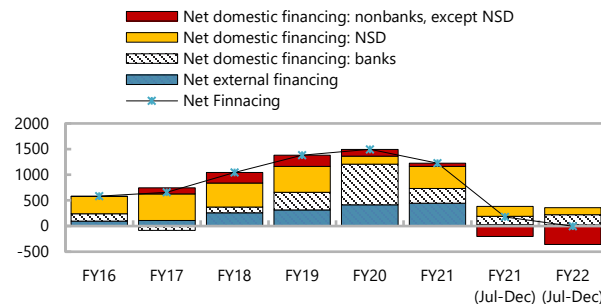
Total expenditure-GDP ratio, in FY21, remained flat compared to FY20. Total expenditure-GDP ratio, in FY22 (Jul-Dec), decreased to 3.8 percent from 4.6 percent. During the same period, ADP execution decreased from 1.1 percent to 0.8 percent of GDP.

**Central Government Expenditure**  
FY16-FY22 (Jul-Dec) (In percent of GDP)



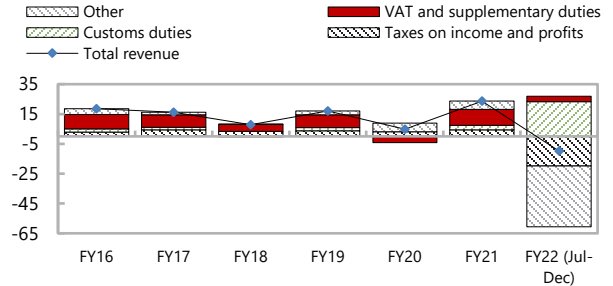
Compared to the same period in the previous FY, the budget deficit in FY22 (Jul-Dec) has been primarily financed by bank borrowing.

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



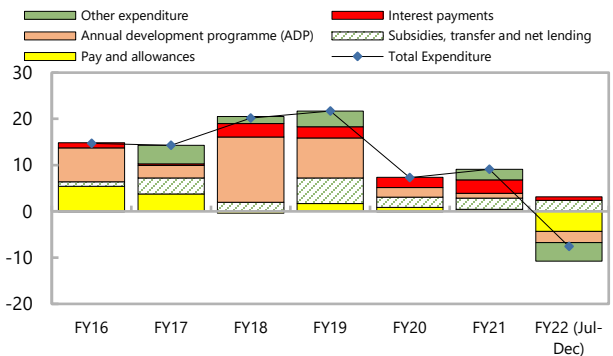
Total revenue, in FY21, grew by 23.6 percent (y/y). Preliminary data suggests that total revenue, in FY22 (Jul-Dec), has decreased by 9.8 percent (y/y) and the decrease in taxes on income and profit and others have had the largest impact.

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



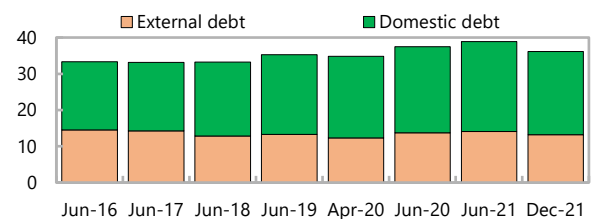
Total expenditure, in FY21, increased by 9.1 percent (y/y), with ADP expenditure contributing 1.0 percentage points. Total expenditure, in FY22 (Jul-Dec), decreased by 7.6 percent (y/y), where interest payments contributed 0.8 percentage points.

**Contributions to Central Government's Expenditure Growth**  
FY16-FY22 (Jul-Dec), (y/y, In percentage points)



Total central government debt, at end-Dec 2021, 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-Dec 2021 (In percent of GDP)



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

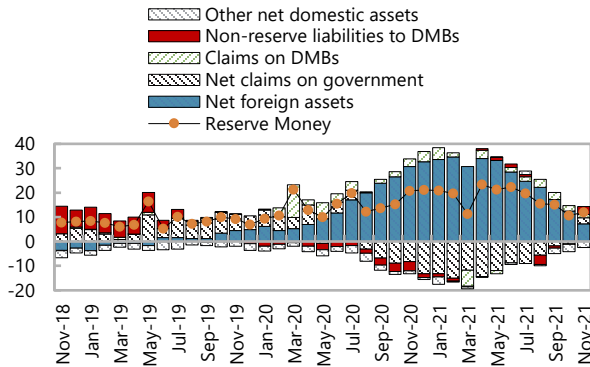
Sources: Office of the Controller General of Accounts (CGA), Ministry of Finance; and IMF Staff calculations

## Bangladesh: Monetary and Financial Market Developments

Reserve money, at end-Nov 2021, grew by 11.9 percent (y/y) compared with 10.7 percent (y/y) in Oct 2021, mainly driven by net foreign assets.

### Contributions to Reserve Money Growth

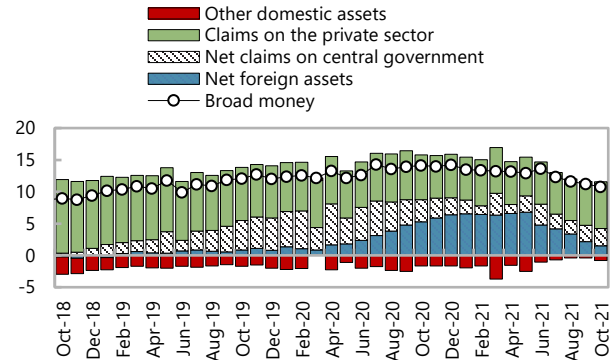
Nov 2018-Nov 2021 (y/y, in percentage points)



Broad money (M2), at end-Oct 2021, grew by 10.8 percent with private sector credit and net foreign assets contributing 7.3 and 1.5 percentage points, respectively, to this growth.

### Contributions to Broad Money (M2) Growth

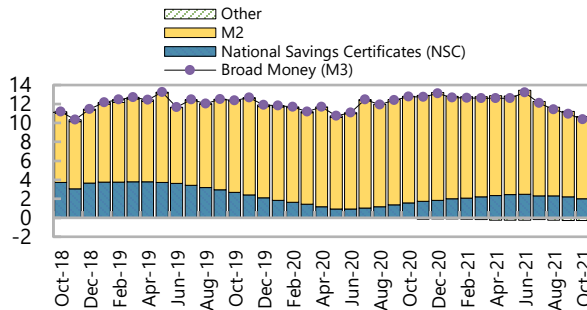
Oct 2018-Oct 2021 (y/y, in percentage points)



Broad money (M3) growth reached 10.4 percent, in Oct 2021, with M2 and NSC sales accounting for 8.7 and 2.0 percentage points respectively.

### Contributions to Broad Money (M3) Growth

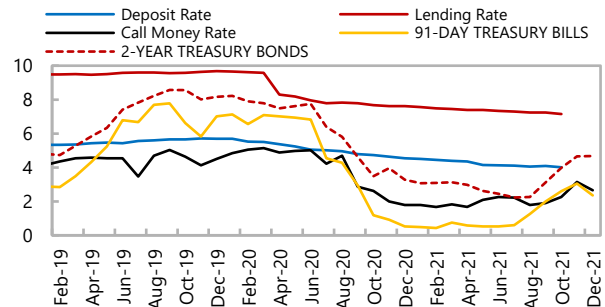
Oct 2018-Oct 2021 (y/y, in percentage points)



Interest rates, which had been declining since April 2020, have started to increase.

### Interest Rates 1/

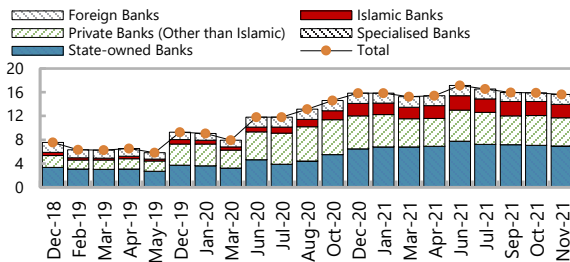
Feb 2019-Dec 2021 (in percentage points)



Excess liquid assets (as percent of total demand and time liabilities), in Nov 2021, reached 15.6 percent compared with 14.6 percent in Oct 2020.

### Excess Liquid Assets (as percent of total time and demand liabilities)

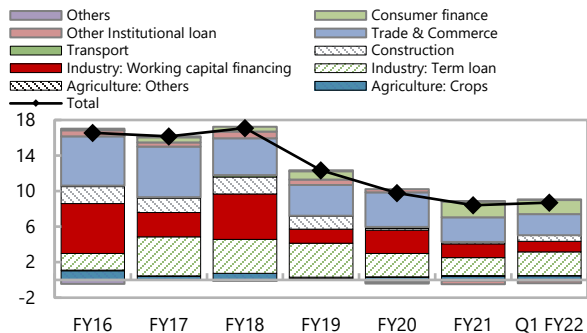
Dec 2018-Nov 2021



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)



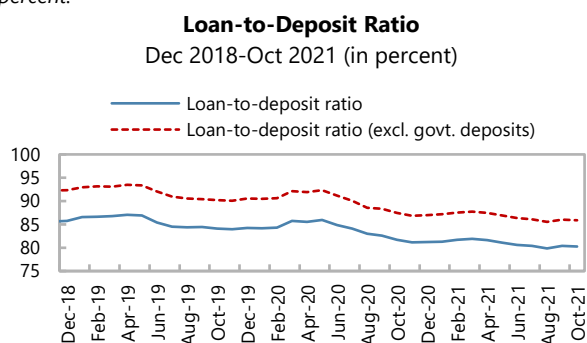
1/ Deposit and Lending rate are as on October 31<sup>st</sup>, 2021.

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.

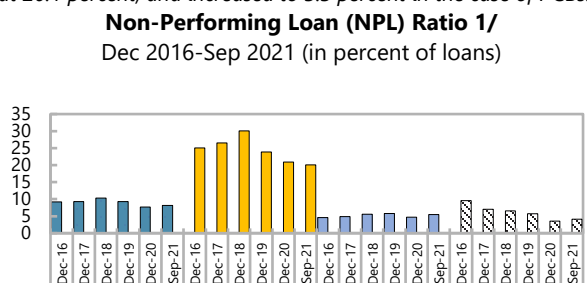
Sources: Bangladesh Bank; and IMF Staff calculations

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

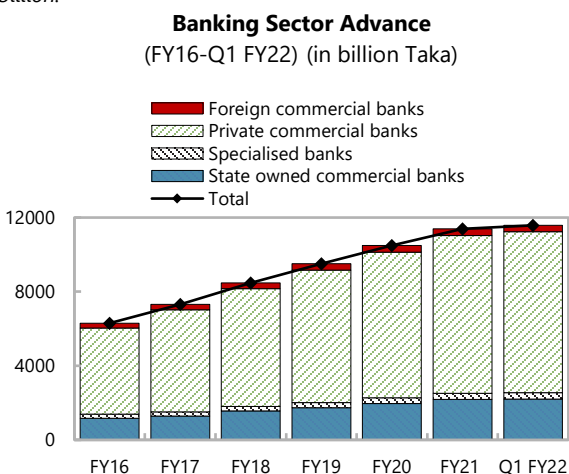
The loan-to-deposit ratio, in Oct 2021, reached 85.9 percent from 87.4 percent in Apr 2021. During the period, the ratio (excluding government deposits) decreased from 81.6 percent to 80.3 percent.



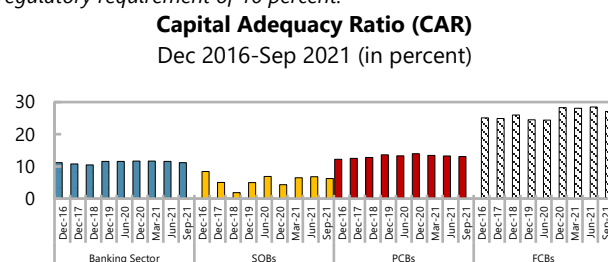
Banking sector's NPL ratio, in Sep 2021, increased to 8.1 percent from 7.7 percent in Dec 2020. In SOBs, the ratio remained same at 20.1 percent, and increased to 5.5 percent in the case of PCBs.



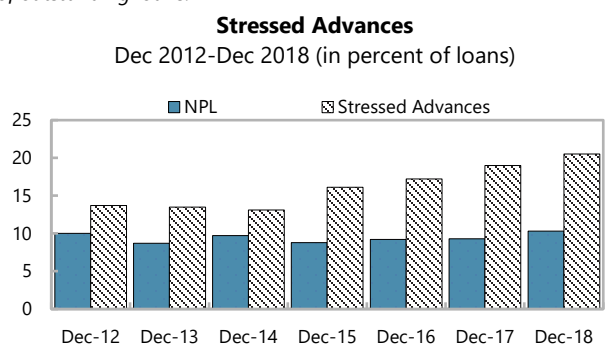
Banking sector advance, at end-Q2 FY22, reached Tk.11579 billion, where private commercial banks accounted for Tk. 8680 billion.



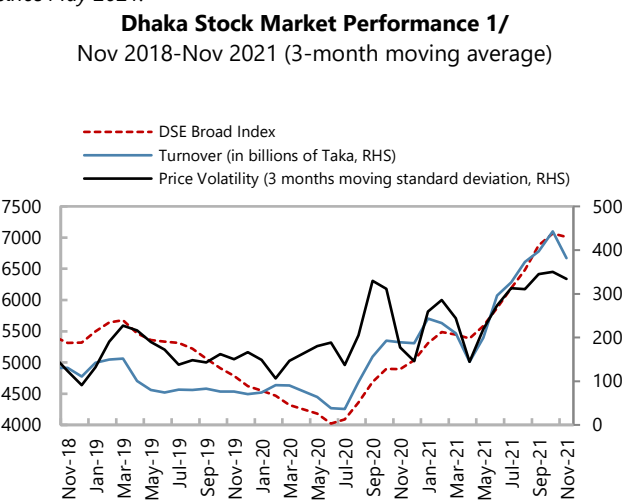
CAR of the banking industry, at Sep 2021, decreased to 11.2 from 11.6 percent in Dec 2020. CAR of the SOBs, in Sep 2021, increased to 6.3 percent from 4.3 percent in Dec 2020 remaining below the regulatory requirement of 10 percent.



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.



The 3-mma DSE broad index, turnover, and price volatility picked up since May 2021.



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