

Major Economic Indicators	GDP	Inflation	Investment as % of GDP
Target for FY '20	8.20%	5.50%	32.80%

## Monthly Commentary on Selected Economic Indicators

ADB upholds healthy growth outlook for Bangladesh projecting 8.1% GDP growth in 2019 and 8.0% in 2020, untouched from its previous outlook released in September. The ADB said Bangladesh's accommodative policy on credit to the private sector is expected to stimulate investment and strong remittances will persuade domestic demand. On the other hand, The UN Economic and Social Commission for Asia and the Pacific (ESCAP) projects exports from Bangladesh would rise by 9.10% in value and 6.30% in volume in 2019. The outlook from ESCAP also cited that goods imports to Bangladesh would increase by 5.80% in value and 6.10% in volume.

- Country's point-to-point inflation increased significantly in November to 6.05% from that of 5.47% in October accelerated by rising food inflation which reached to 6.41% in November from 5.49% in October. Besides, Non-food inflation increased 2 bp and stood at 5.47% in November from that of October. Onion was the lead actor behind the rise of inflation last month.
- According to BB, the public sector credit growth stood at 49.7% (YoY) in October compared to 44.4% (YoY) in September. Public sector credit stood at USD 20.47 bn having 4.2% growth (MoM) in October. Besides, net sales of National Savings Certificate decreased by 17.1% (MoM) in October and stood at USD 97 mn. Total outstanding of NSCs stood at USD 34,358 mn in October.
- Private-sector credit growth hits a fresh nine-year low in October of this fiscal year. In October, private sector credit growth stood at 10.04% (YoY), reflecting a gloomy state of the country's economy, the lowest since September 2010. As the government continues borrowing from the banking system, the outlook for the private sector credit appears grim and will crowded out the private sector eventually.
- Export earnings were noted at USD 3.06 bn having 10.70% (YoY) degrowth in November. Besides, total import was USD 4.89 bn in October compared to USD 4.63 bn in September.
- BDT has depreciated slightly against Dollar at 84.8 at the end of November for 2nd consecutive month. We assume that BDT may further depreciate against USD in coming months. Moreover, the Country received USD 1,555 mn remittances having 5.15% degrowth (MoM) in November.
- The net foreign investment on DSE has kept falling for the 9th consecutive month in November as the foreign investors continued pulling funds due to the prolonged bearish trend in the market. Net foreign investment dipped to BDT 988.8 mn negative in November compared to BDT 969.3 mn negative in October as well.

### Inflation (P-P)

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
General (%)	5.37	5.35	5.42	5.47	5.55	5.58	5.63	5.52	5.62	5.49	5.54	5.47	6.05
Food (%)	5.29	5.28	5.33	5.44	5.72	5.54	5.49	5.40	5.42	5.27	5.30	5.49	6.41
Non-food (%)	5.49	5.45	5.57	5.51	5.29	5.64	5.84	5.71	5.94	5.82	5.92	5.45	5.47

### Domestic Fiscal

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Tax Revenue (NBR) Earnings (USD mn)	2,058	2,185	2,237	1,987	2,368	2,323	2,432	3,583	1,827	1,679	2,105	-	-
Net Foreign Aid (USD mn)	354	932	266	740	285	276	236	906	263	306	19	-	-
Net Sale of NSC (USD mn)	457	397	715	547	490	443	385	380	256	261	117	97	-

### Money & Banking

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Call Money Rate (%)	3.81	4.61	4.47	4.53	4.54	4.53	4.55	4.54	4.46	5.07	5.02	3.61	3.93
Inter Bank Repo Rate (%)	2.08	5.19	4.12	5.51	6.27	6.13	5.75	4.82	3.45	5.98	5.59	2.54	3.04
Lending Rate (%)	9.42	9.49	9.49	9.49	9.50	9.46	9.51	9.58	9.59	9.60	9.56	9.58	-
Deposit Rate (%)	5.30	5.26	5.34	5.34	5.35	5.42	5.46	5.43	5.56	5.60	5.65	5.66	-
Spread	4.12	4.23	4.15	4.15	4.15	4.04	4.05	4.15	4.03	4.00	3.91	3.92	-
Monthly Deposit (USD mn)	674	2,180	(100)	570	1,100	269	1,699	3,016	760	1,112	1,519	-	-
Monthly Credit (USD mn)	1,669	1,707	846	701	1,173	750	2,167	1,913	1,253	939	1,432	-	-
Excess Liquidity (USD mn)	-	9,105	8,058	7,596	7,626	7,905	7,166	-	-	-	-	-	-
Private Credit (USD mn)	112,371	114,285	114,807	115,312	116,283	116,984	118,452	119,557	118,694	119,219	120,319	121,057	-
Public credit (USD mn)	14,229	14,481	14,655	13,882	13,837	13,851	16,271	16,169	18,270	19,264	19,708	20,473	-
Domestic credit (USD mn)	126,600	128,766	129,462	129,193	130,120	130,835	134,723	135,726	136,965	138,483	140,027	141,530	-
Classified Loan (%) - Quarterly	-	10.30	-	-	11.87	-	-	11.69	-	-	11.99	-	-

### External Sector

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Export fob (USD mn)	3,422	3,426	3,680	3,383	3,340	3,034	3,813	2,784	3,888	2,840	2,916	3,073	3,056
Import fob (USD mn)	4,701	4,391	5,663	4,353	4,528	4,738	4,742	3,592	4,810	3,816	4,628	4,885	-
Current Account Balance-YTD (USD mn)	(2,558)	(3,082)	(4,337)	(4,270)	(4,234)	(5,065)	(5,175)	(5,254)	240	313	(678)	(1,812)	-
BOP-YTD (Overall Balance) (USD mn)	(837)	(513)	(975)	(499)	(329)	(590)	(682)	12	124	139.00	(204)	(1,304)	-
Remittance (USD mn)	1,178	1,203	1,591	1,318	1,459	1,434	1,756	1,368	1,598	1,483	1,468	1,640	1,555
Remittance Growth % (MoM)	-4.91%	2.09%	32.25%	-17.17%	10.70%	-1.69%	22.44%	-22.07%	16.77%	-7.19%	-0.97%	11.66%	-5.15%
Exchange Rate (BDT/USD)	83.90	83.90	83.95	84.15	84.25	84.45	84.50	84.50	84.50	84.50	84.50	84.75	84.80
Foreign Ex. Reserve (USD mn)	31,188	32,016	31,235	32,234	31,787	32,123	31,266	32,537	32,127	32,775	31,833	32,435	31,729

### Capital Market

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Index (DSEX)	5,281	5,386	5,821	5,712	5,492	5,203	5,378	5,422	5,139	5,096	4,948	4,683	4,731
Total Turnover (USD mn)	1,391	1,038	2,662	1,637	1,115	827	913	905	1,059	875	1,005	828	874