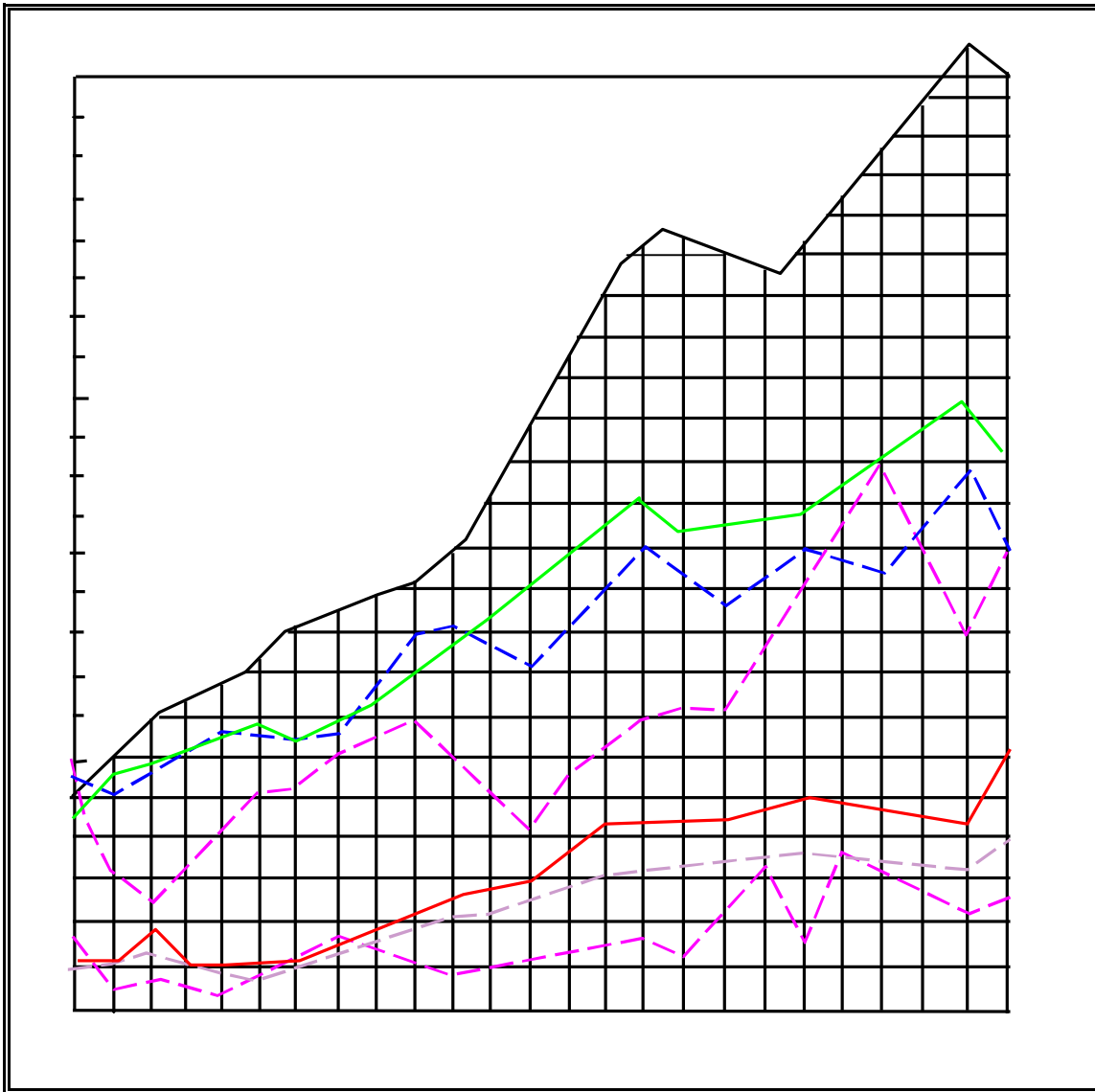


# *Major Economic Indicators: Monthly Update*



**Monetary Policy Department  
BANGLADESH BANK**

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## Executive summary

1. **Broad money** recorded an increase of Tk.18805.00 crore or 10.38 percent during July-February, 2006-07 against the increase of Tk.15093.30 crore or 9.96 percent during July-February, 2005-06. Of the components of broad money, currency outside banks rose by Tk.3552.60 crore or 15.54 percent and deposits increased by Tk.15252.40 crore or 9.64 percent; of which, time deposits increased by Tk.14477.00 crore or 10.49 percent and demand deposits increased by Tk.775.40 crore or 3.82 percent.

**Domestic credit** recorded an increase of Tk.17036.10 crore or 9.58 percent during July-February, 2006-07 against the increase of Tk.16491.10 crore or 11.18 percent during July-February, 2005-06. The rise in domestic credit during the period under report was due to the rise of public sector credit by Tk.4335.50 crore or 9.27 percent and the rise of private sector credit by Tk. 12700.60 crore or 9.70 percent. In credit to the public sector, the component of credit to the Govt.(net) increased by Tk.3990.00 crore or 12.60 percent and credit to the 'other public sector' increased by Tk.345.50 crore or 2.29 percent.

### Monetary and credit developments

(in crore taka)

Particulars	Outstanding stock			Changes in outstanding stock		
	June, 2005	June, 2006	February, 2007 <sup>P</sup>	FY 2005-06	July-February, 2006-07	February, 2007 over February, 2006
Domestic credit	147561.00	177743.00	194779.10	30182.00 (+20.45)	17036.10 (+9.58)	30727.00 (+18.73)
Broad money	151588.50	181156.10	199961.10	29567.60 (+19.51)	18805.00 (+10.38)	33279.30 (+19.97)

*Note : Figures in brackets indicate percentage changes.*

*P=Provisional, R=Revised*

2. **Total tax revenue** collection in February, 2007 increased by Tk. 331.28 crore or 11.95 percent to Tk. 3104.00 crore, against Tk. 2772.72 crore of February, 2006. The NBR and Non-NBR tax revenue collection in February, 2007 were Tk.2944.70 crore and Tk.159.30 crore respectively, against Tk.2660.49 crore and Tk.112.23 crore respectively in February, 2006. The target for total tax revenue collection during FY 2006-07 has been set at Tk.42915.00 crore.

**Total NBR tax revenue** collection during July-March, 2006-07 increased by Tk.1965.18 crore or 8.51 percent to Tk.25052.08 crore against collection of Tk.23086.90 crore during July-March, 2005-06. NBR tax revenue collection during July - March, 2006-07 was 61.02 percent of the target of Tk. 41055.00 crore fixed for FY 2006-07

**Outstanding borrowing** of the government through NSD certificates as of end February, 2007 stood at Tk.42026.67 crore, recording an increase of Tk.3588.34 crore or 9.34 percent over end February, 2006.

3. **Exports** during July-February, 2006-07 increased by US\$1399.66 million or 21.13 percent to US\$8023.87 million against US\$6624.21 million during July-February, 2005-06.

4. **Import payments** during July-February, 2006-07 increased by US\$1890.10 million or 20.47 percent to US\$11122.90 million compared to US\$9232.90 million during July-February, 2005-06.

**Fresh opening of import LCs** during July-March, 2006-07 increased by US\$1616.72 million or 14.39 percent to US\$12849.17 million against US\$11232.45 million during July-March, 2005-06.

5. **Total remittance receipts** during July-March, 2006-07 increased by US\$886.70 million or 25.52 percent to US\$4361.82 million, against US\$3475.12 million during July-March, 2005-06.

6. **Gross foreign exchange reserves** of the BB stood higher at US\$4199.52 million as of end March, 2007, against US\$4156.77 million as of end February, 2007. This was also much higher than the US\$2910.35 million reserves as of end March, 2006.

**Gross foreign exchange balances** held abroad by commercial banks were higher at US\$265.01 million as of end March, 2007, against US\$258.08 million as of end February, 2007. This was also higher than the balance of US\$230.41 million as of end March, 2006.

7. **The annual average rate of inflation** (12-month annual average CPI , 1995-96=100) increased to 6.84 percent in February, 2007 from 6.72 percent of January, 2007.

**The rate of inflation on point to point basis** also increased to 7.28 percent in February, 2007 from 5.94 percent of January, 2007.

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*The information furnished in this executive summary and the subsequent pages are provisional and subject to revision.*

# 1. Monetary and credit developments

(In crore taka)

Particulars	Outstanding stock			Changes in outstanding stock				
	June, 2005	June, 2006	February, 2007 <sup>P</sup>	FY 2005-06	July-February, 2006-07	February, 2007 over February, 2006	July-February, 2005-06	February, 2006 over February, 2005
	1	2	3	4	5	6	7	8
<b>A. Net Foreign Assets of banking system</b>	<b>18666.80</b>	<b>22011.30</b>	<b>26164.20</b>	<b>3344.50</b>	<b>4152.90</b>	<b>7749.40</b>	<b>-252.00</b>	<b>-963.70</b>
				(+17.92)	(+18.87)	(+42.08)	(-1.35)	(-4.97)
<b>B. Net Domestic Assets of banking system</b>	<b>132921.70</b>	<b>159144.80</b>	<b>173796.90</b>	<b>26223.10</b>	<b>14652.10</b>	<b>25529.90</b>	<b>15345.30</b>	<b>26559.50</b>
				(+19.73)	(+9.21)	(+17.22)	(+11.54)	(+21.82)
a) Domestic credit	147561.00	177743.00	194779.10	30182.00	17036.10	30727.00	16491.10	27086.10
				(+20.45)	(+9.58)	(+18.73)	(+11.18)	(+19.78)
Public sector	36821.80	46769.70	51105.20	9947.90	4335.50	9503.40	4780.00	9981.80
				(+27.02)	(+9.27)	(+22.84)	(+12.98)	(+31.57)
Govt.(net)	25632.70	31674.10	35664.10	6041.40	3990.00	8282.90	1748.50	4753.80
				(+23.57)	(+12.60)	(+30.25)	(+6.82)	(+21.01)
Other Public	11189.10	15095.60	15441.10	3906.50	345.50	1220.50	3031.50	5228.00
				(+34.91)	(+2.29)	(+8.58)	(+27.09)	(+58.14)
Private sector	110739.20	130973.30	143673.90	20234.10	12700.60	21223.60	11711.10	17104.30
				(+18.27)	(+9.70)	(+17.33)	(+10.58)	(+16.24)
b) Other items (net)	-14639.30	-18598.20	-20982.20	-3958.90	-2384.00	-5197.10	-1145.80	-526.60
				(+18.94)	(+10.49)	(+19.32)	(+10.14)	(+18.01)
<b>C. Broad money (A+B)</b>	<b>151588.50</b>	<b>181156.10</b>	<b>199961.10</b>	<b>29567.60</b>	<b>18805.00</b>	<b>33279.30</b>	<b>15093.30</b>	<b>25595.80</b>
				(+19.51)	(+10.38)	(+19.97)	(+9.96)	(+18.14)
i) Currency outside banks	18518.10	22862.10	26414.70	4344.00	3552.60	4900.70	2995.90	3614.90
				(+23.46)	(+15.54)	(+22.78)	(+16.18)	(+20.20)
ii) Deposits	133070.40	158294.00	173546.40	25223.60	15252.40	28378.60	12097.40	21980.90
				(+18.96)	(+9.64)	(+19.55)	(+9.09)	(+17.84)
a) Demand deposits	17028.00	20272.10	21047.50	3244.10	775.40	3687.70	331.80	2472.90
				(+19.05)	(+3.82)	(+21.24)	(+1.95)	(+16.61)
b) Time deposits	116042.40	138021.90	152498.90	21979.50	14477.00	24690.90	11765.60	19508.00
				(+18.94)	(+10.49)	(+19.32)	(+10.14)	(+18.01)

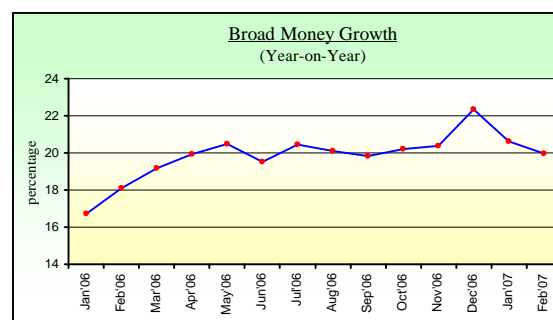
Source: Statistics Department

Note: Figures in brackets in column 4, 6 & 8 indicate percentage changes over the corresponding period of the preceding year and that of column 5 & 7 indicate percentage changes over end June of previous fiscal year.

P=Provisional ; R=Revised

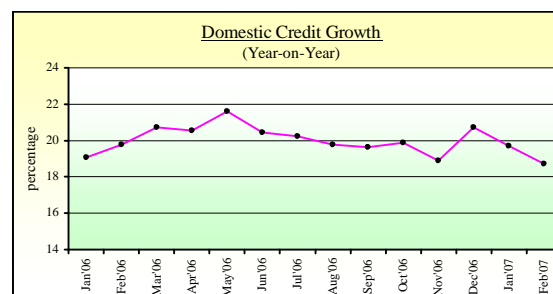
## Broad money

Broad money recorded an increase of Tk.18805.00 crore or 10.38 percent during July-February, 2006-07 against the increase of Tk.15093.30 crore or 9.96 percent during July-February, 2005-06. Of the components of broad money, currency outside banks rose by Tk.3552.60 crore or 15.54 percent and deposits increased by Tk.15252.40 crore or 9.64 percent; of which, time deposits increased by Tk.14477.00 crore or 10.49 percent and demand deposits increased by Tk.775.40 crore or 3.82 percent.



## Domestic credit

Domestic credit recorded an increase of Tk.17036.10 crore or 9.58 percent during July-February, 2006-07 against the increase of Tk.16491.10 crore or 11.18 percent during July-February, 2005-06. The rise in domestic credit during the period under report was due to the rise of public sector credit by Tk.4335.50 crore or 9.27 percent and the rise of private sector credit by Tk. 12700.60 crore or 9.70 percent. In credit to the public sector, the component of credit to the Govt.(net) increased by Tk.3990.00 crore or 12.60 percent and credit to the 'other public sector' increased by Tk.345.50 crore or 2.29 percent.



## 2. Reserve money developments

(In crore taka)

Particulars	Outstanding stock			Changes in outstanding stock				
	June, 2005	June, 2006	February, 2007 <sup>P</sup>	FY 2005-06	July-February, 2006-07	February, 2007 over February, 2006	July-February, 2005-06	February, 2006 over February, 2005
	1	2	3	4	5	6	7	8
<b>Net Foreign Assets of Bangladesh Bank</b>	<b>15126.70</b>	<b>19140.60</b>	<b>22853.50</b>	<b>4013.90</b>	<b>3712.90</b>	<b>7208.70</b>	<b>518.10</b>	<b>-940.80</b>
				(+26.54)	(+19.40)	(+46.08)	(+3.43)	(-5.67)
<b>Net Domestic Assets of Bangladesh Bank</b>	<b>14420.60</b>	<b>18722.60</b>	<b>20864.30</b>	<b>4302.00</b>	<b>2141.70</b>	<b>2086.40</b>	<b>4357.30</b>	<b>7490.30</b>
				(+29.83)	(+11.44)	(+11.11)	(+30.22)	(+66.36)
Claims on Govt.(net)	15724.30	25076.10	25227.50	9351.80	151.40	6516.60	2986.60	7753.30
				(+59.47)	(+0.60)	(+34.83)	(+18.99)	(+70.76)
Claims on other public	1055.60	966.00	924.90	-89.60	-41.10	-47.40	-83.30	-82.20
				(-8.49)	(-4.25)	(-4.88)	(-7.89)	(-7.80)
Claims on DMBs	6132.50	6346.30	6029.50	213.80	-316.80	142.20	-245.20	182.80
				(+3.49)	(-4.99)	(+2.42)	(-4.00)	(+3.20)
Other items (net)	-8491.80	-13665.80	-11317.60	-5174.00	2348.20	-4525.00	1699.20	-363.60
<b>Reserve money</b>	<b>29547.30</b>	<b>37863.20</b>	<b>43717.80</b>	<b>8315.90</b>	<b>5854.60</b>	<b>9295.10</b>	<b>4875.40</b>	<b>6549.50</b>
				(+28.14)	(+15.46)	(+27.00)	(+16.50)	(+23.50)
<b>Currency Issued</b>	<b>20327.90</b>	<b>24894.10</b>	<b>28468.60</b>	<b>4566.20</b>	<b>3574.50</b>	<b>5075.60</b>	<b>3065.10</b>	<b>3889.30</b>
				(+22.46)	(+14.36)	(+21.70)	(+15.08)	(+19.94)
i) Currency outside banks	18518.10	22862.10	26414.70	4344.00	3552.60	4900.70	2995.90	3614.90
				(+23.46)	(+15.54)	(+22.78)	(+16.18)	(+20.20)
ii) Cash in tills	1809.80	2032.00	2053.90	222.20	21.90	174.90	69.20	274.40
				(+12.28)	(+1.08)	(+9.31)	(+3.82)	(+17.10)
<b>Deposits of banks with BB</b>	<b>9219.40</b>	<b>12969.10</b>	<b>15249.20</b>	<b>3749.70</b>	<b>2280.10</b>	<b>4219.50</b>	<b>1810.30</b>	<b>2660.20</b>
				(+40.67)	(+17.58)	(+38.26)	(+19.64)	(+31.78)
Of which: Excess reserves	4555.60	5025.92	6159.50	470.32	1133.58	2740.30	-1136.40	228.70
				(+10.32)	(+22.55)	(+80.14)	(-24.95)	(+7.17)
<b>Reserve Money multiplier</b>	<b>5.13</b>	<b>4.78</b>	<b>4.57</b>	<b>-0.35</b>	<b>-0.21</b>	<b>-0.27</b>	<b>-0.29</b>	<b>-0.22</b>

Source: Statistics Department.

Note: Figures in brackets in column 4, 6 & 8 indicate percentage changes over the corresponding period of the preceding year and that of column 5 & 7 indicate percentage changes over end June of previous fiscal year.

P=Provisional ; R=Revised

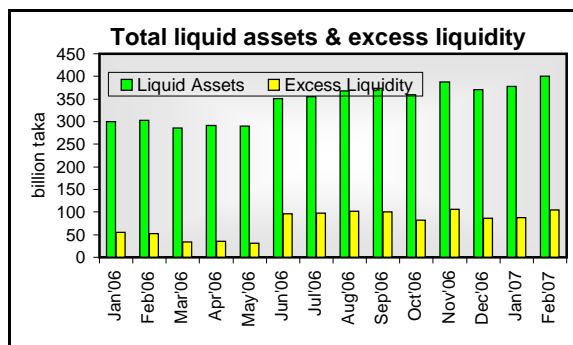
### Reserve Money

Reserve money recorded an increase of Tk.5854.60 crore or 15.46 percent during July-February, 2006-07 compared to the increase of Tk.4875.40 crore or 16.50 percent during July-February, 2005-06. The increase in reserve money growth occurs due to increase in net domestic assets of Bangladesh Bank by Tk.2141.70 crore or 11.44 percent and increase in net foreign assets of Bangladesh Bank by Tk.3712.90 crore or 19.40 percent during the period under report. Reserve money multiplier decreased to 4.57 at the end of February, 2007 from 4.78 of June, 2006.



### 3. Liquidity position of the scheduled banks

Total liquid assets of the scheduled banks stood higher at Tk. 40081.13 crore as of end February, 2007, against Tk.35147.45 crore as of end June, 2006. Excess liquidity of the scheduled banks stood also higher at Tk.10442.27 crore as of end February, 2007, against Tk.9591.05 crore as of end June, 2006.



### 4. Agricultural credit

*Disbursement and recovery* (In crore taka)

Annual Movement	Year	Disbursement		Recovery	
	2001-2002	2954.91			3259.66
		(-2.14)		(+13.27)	
2002-2003	3278.37			3516.31	
		(+10.95)		(+7.87)	
2003-2004	4048.41			3135.32	
		(+23.49)		(-10.83)	
2004-2005	4956.78			3171.15	
		(+22.44)		(+1.14)	
2005-2006 <sup>R</sup>	5496.21			4164.35	
		(+10.88)		(+31.32)	
Monthly Movement	Month	2006-2007 <sup>P</sup>		2005-2006 <sup>R</sup>	
		Disbursement	Recovery	Disbursement	Recovery
	July	268.58	257.11	211.18	170.67
	August	249.02	248.83	325.73	257.25
	September	327.31	268.28	394.83	323.88
	October	472.91	250.73	532.64	251.99
	November	449.32	749.45	452.61	352.58
	December	665.61	592.01	660.77	614.28
	January	362.31	257.09	501.66	322.43
	February	474.54	469.46	451.41	306.22
	<b>July-February</b>	<b>3269.60</b>	<b>3092.96</b>	<b>3530.83</b>	<b>2599.30</b>
		<b>(-7.40)</b>	<b>(+18.99)</b>	<b>(+16.31)</b>	<b>(+58.02)</b>

Programmed level for disbursement of agricultural credit during FY2006-2007= Tk.6316.30 crore.

*Overdue and outstanding* (In crore taka)

Year	2006-2007 <sup>P</sup>			2005-2006 <sup>R</sup>		
	overdue	outstanding	overdue as % of outstanding	overdue	outstanding	overdue as % of outstanding
<b>February</b>	<b>6939.81</b>	<b>15198.93</b>	<b>45.66</b>	<b>6404.87</b>	<b>15378.63</b>	<b>41.65</b>
	<b>(+8.35)</b>	<b>(-1.17)</b>		<b>(+6.04)</b>	<b>(+13.90)</b>	

Source: Agricultural Credit & Special Programmes Department

Note:- Figures in brackets indicate percentage changes over the corresponding period of the preceding year.

P = Provisional ; R=Revised

Disbursement of agricultural credit during July-February, 2006-07 stood lower at Tk.3269.60 crore compared to Tk.3530.83 crore during July-February, 2005-06. Recovery of agricultural credit during July-February, 2006-07 stood higher at Tk.3092.96 crore compared to Tk.2599.30 crore during July-February, 2005-06. The position of overdue agricultural credit as percentage of total outstanding deteriorated, increasing from 41.65 at the end of February, 2006 to 45.66 at the end of February, 2007.

## 5. Industrial term loans

### Disbursement and recovery

(In crore taka)

	Year	Disbursement		Recovery	
		2000-2001	3057.07		2795.10
	2001-2002	3505.15		3212.97	
	2002-2003	3961.99		3835.12	
	2003-2004	6675.99		4963.44	
	2004-2005	8704.52		8546.98	
	2005-2006 <sup>R</sup>	9650.02		6759.52	
Quarterly	Quarter	2006-2007 <sup>P</sup>		2005-2006 <sup>R</sup>	
		Disbursement	Recovery	Disbursement	Recovery
	Jul.-Sep.	2652.34	1728.80	2033.71	1499.84
	Oct.-Dec.	3204.46	2393.95	2912.44	1868.12
	<b>Jul.-Dec.</b>	<b>5856.80</b> (+18.41)	<b>4122.75</b> (+22.41)	<b>4946.15</b> (+16.80)	<b>3367.96</b> (-20.04)

### Overdue and outstanding

Year	2006-2007 <sup>P</sup>			2005-2006 <sup>R</sup>		
Quarter ended	Overdue	Outstanding	Overdue as % of outstanding	Overdue	Outstanding	Overdue as % of outstanding
December	3988.77 (+15.78)	29726.34 (+21.13)	13.42	3445.25 (-37.76)	24541.27 (+10.17)	14.04

Source: Agricultural Credit & Special Programmes Department

Note:- Figures in brackets indicate percentage changes over the corresponding period of the preceding year.

P= Provisional ; R=Revised

Disbursement of industrial term loans during July-December, 2006 stood higher at Tk.5856.80 crore compared to Tk.4946.15 crore during the same period of the preceding year. Recovery of industrial term loans also was higher at Tk.4122.75 crore during July-December, 2006, against Tk.3367.96 crore during the same period of the preceding year.

Overdue of industrial term loans at the end of December, 2006 stood higher at Tk.3988.77 crore compared to Tk.3445.25 crore at the end of December, 2005. Overdue as percentage of outstanding industrial term loans improved, decreasing from 14.04 at the end of December, 2005 to 13.42 at the end of December, 2006.

## 6. Public finance

### a) Government tax revenue collections

(In crore taka)

Annual tax revenue collections	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006R
	21315.21	24717.12	27429.90	31326.57	35512.98
	(21930.00)	(24950.00)	(28300.00)	(31950.00)	(36175.00)

Note:- Figures in brackets indicate the target of revenue collection.

Month	2006-2007 <sup>P</sup>							2005-2006 <sup>R</sup>						
	NBR tax revenue					Non-NBR** tax revenue	Total tax Revenue Collections	NBR tax revenue					Non-NBR** tax revenue	Total tax Revenue Collections
	Customs duties	Vat	Income tax	others*	Total			Customs duties	Vat	Income tax	others*	Total		
1	2	3	4	5=(1+..+4)	6	7=(5+6)	1	2	3	4	5=(1+..+4)	6	7=(5+6)	
July	619.13	1020.54	320.93	490.33	2450.93	146.59	2597.52	588.05	810.61	276.01	494.15	2168.82	136.80	2305.62
August	672.42	1068.5	360.99	494.35	2596.27	159.18	2755.45	660.08	897.24	295.01	538.66	2390.99	128.62	2519.61
September	573.05	966.40	611.32	468.10	2618.87	127.40	2746.27	608.13	874.76	512.21	465.54	2460.64	102.90	2563.54
October	592.56	952.51	456.47	504.73	2506.27	89.22	2595.49	630.35	888.09	353.93	547.92	2420.29	92.80	2513.09
November	686.47	1107.07	480.18	481.30	2755.02	125.87	2880.89	541.85	898.51	401.32	471.20	2312.88	87.98	2400.86
December	678.84	1098.52	685.29	525.29	2987.94	121.96	3109.90	674.80	1005.46	560.87	559.16	2800.29	112.16	2912.45
January	692.25	1110.61	519.73	555.00	2877.59	176.89	3054.48	635.32	969.98	418.33	598.11	2621.74	111.73	2733.47
February	732.60	1096.72	548.46	566.92	2944.70	159.30	3104.00	615.10	1058.69	401.40	585.30	2660.49	112.23	2772.72
March	734.74	1148.17	917.70	513.88	3314.49	N.A.	N.A.	722.01	1173.53	758.18	597.04	3250.76	132.49	3383.25
July-March	5982.06 (+5.40)	9569.05 (+11.57)	4901.07 (+23.23)	4599.90 (-5.29)	25052.08 (+8.51)	N.A.	N.A.	5675.69 (+1.85)	8576.87 (+18.54)	3977.26 (+16.84)	4857.08 (+12.93)	23086.90 (+12.55)	1017.71 (+11.69)	24104.61 (+12.51)

Source: National Board of Revenue and Office of the Controller General of Accounts.

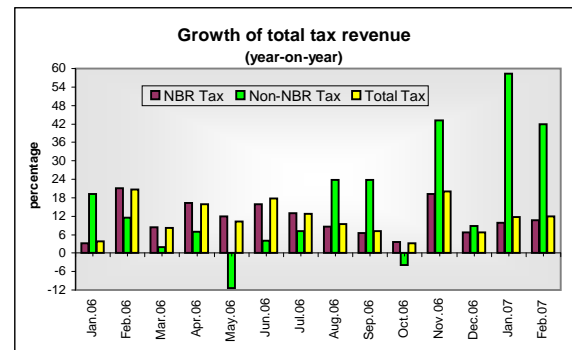
Note:- Figures in brackets indicate percentage changes over the corresponding period of the preceding year.

P = Provisional ; R=Revised

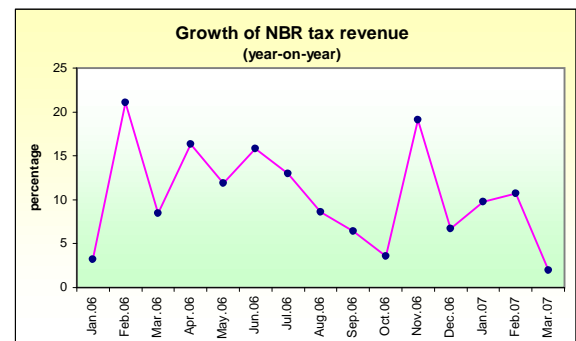
\* = include supplementary duties & travel tax.

\*\*=includes Narcotics & liquor duty, taxes on vehicles, land revenue and stamp duty(non judicial)

Total tax revenue collection in February, 2007 increased by Tk. 331.28 crore or 11.95 percent to Tk. 3104.00 crore, against Tk. 2772.72 crore of February, 2006. The NBR and Non-NBR tax revenue collection in February, 2007 were Tk.2944.70 crore and Tk.159.30 crore respectively, against Tk.2660.49 crore and Tk.112.23 crore respectively in February, 2006.



NBR tax revenue collection in March, 2007 stood higher by Tk.369.79 crore or 12.56 percent to Tk.3314.49 crore against Tk.2944.70 crore collected in February, 2007. Total NBR tax revenue collection during July-March, 2006-07 increased by Tk.1965.18 crore or 8.51 percent to Tk.25052.08 crore against collection of Tk.23086.90 crore during July-March, 2005-06. NBR tax revenue collection during July - March, 2006-07 was 61.02 percent of the target of Tk. 41055.00 crore fixed for FY 2006-07.



## b) Sale and repayment of NSD certificates

(In crore taka)

	Sale	Repayment (Principal)	Net sale	Outstanding at the end of the year
(1)	(2)	(3)	4=(2-3)	(5)
2000-2001	6871.31	2634.05	4237.26	21126.28
2001-2002	8716.96	4050.23	4666.73	25793.01
2002-2003	9415.63	5112.61	4303.02	30096.03
2003-2004	9678.20	5772.62	3905.58	34001.61
2004-2005	10180.57	7684.50	2496.07	36497.68
2005-2006	13799.83	10833.25	2966.58	39464.26

Months	2006-2007 <sup>P</sup>				2005-2006 <sup>R</sup>			
	Sale	Repayment (principal)	Net sale	Outstanding at the end of the period.	Sale	Repayment (principal)	Net sale	Outstanding at the end of the period.
July	1438.93	898.98	539.95	40004.21	1043.75	779.88	263.87	36761.55
August	1415.17	1056.56	358.61	40362.82	1109.07	1016.80	92.27	36853.82
September	1098.59	908.80	189.79	40552.61	955.25	869.58	85.67	36939.49
October	1001.45	828.89	172.56	40725.17	911.57	963.35	-51.78	36887.71
November	1217.28	1062.90	154.38	40879.55	828.15	652.19	175.96	37063.67
December	1030.07	952.23	77.84	40957.39	1156.25	920.15	236.10	37299.77
January	1385.37	881.63	503.74	41461.13	1633.11	908.10	725.01	38024.78
February	1345.43	779.89	565.54	42026.67	1317.51	903.96	413.55	38438.33
<b>July-February</b>	<b>9932.29</b> <b>(+10.92)</b>	<b>7369.88</b> <b>(+5.07)</b>	<b>2562.41</b> <b>(+32.04)</b>	<b>42026.67</b> <b>(+9.34)</b>	<b>8954.66</b> <b>(+36.50)</b>	<b>7014.01</b> <b>(+39.82)</b>	<b>1940.65</b> <b>(+25.73)</b>	<b>38438.33</b> <b>(+8.14)</b>

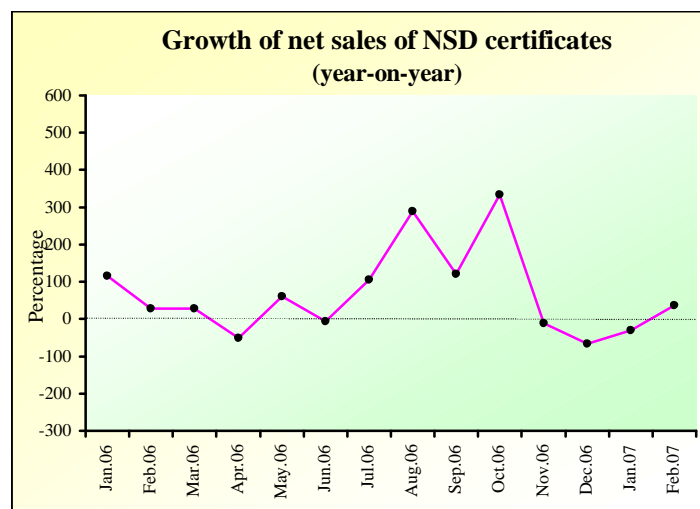
Source:-National Savings Directorate

Note : Figures in brackets indicate percentage changes over the corresponding period of the preceding year. P = Provisional

Sales and repayment of NSD certificates during July-February, 2006-07 stood higher at Tk.9932.29 crore and Tk.7369.88 crore respectively, against Tk.8954.66 crore and Tk.7014.01 crore respectively during July-February, 2005-06.

Net borrowing through NSD certificates during July-February, 2006-07 was markedly higher at Tk.2562.41 crore, against Tk.1940.65 crore of July-February, 2005-06.

Outstanding borrowing of the government through NSD certificates as of end February, 2007 stood at Tk.42026.67 crore, recording an increase of Tk.3588.34 crore or 9.34 percent over end February, 2006.



### c) Budget financing

(In crore Taka)

Year	Net borrowing of the Govt. from the banking system 1/	Net non-bank borrowing of the Govt. from the public 2/	Total domestic financing	Foreign financing (net) 3/	Total financing	Total financing as % of GDP <sup>®</sup> at current market price	Domestic outstanding debt (end of the period)	Total domestic outstanding debt as % of GDP <sup>®</sup> at current market price
1	2	3	4=(2+3)	5	6=(4+5)	7	8	9
2001-2002	2487.10	4711.47	7198.57	5858.34	13056.91	4.8	45181.76	16.5
2002-2003	-1103.10	4795.22	3692.12	6560.20	10252.32	3.4	48873.88	16.3
2003-2004	1246.20	4598.94	5845.14	3279.75	9124.89	2.7	54719.02	16.4
2004-2005	3106.60	2907.56	6014.16	4969.53	10983.69	3.0	60733.18	16.4
2005-2006 <sup>R</sup>	5667.80	2758.90	8426.70	5046.81	13473.51	3.2	69159.88	16.6
July-February, 2006-07 <sup>P</sup>	4906.90	2728.56	7635.46	1427.71	9063.17	-	76795.34	-
July-February, 2005-06 <sup>R</sup>	1716.70	1955.79	3672.49	3592.51	7265.00	-	64405.67	-

1/ : Excludes interest

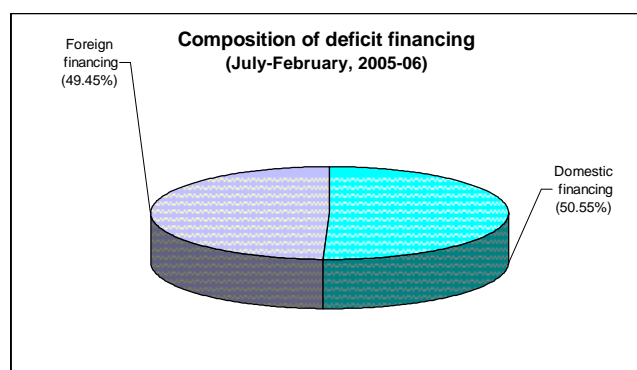
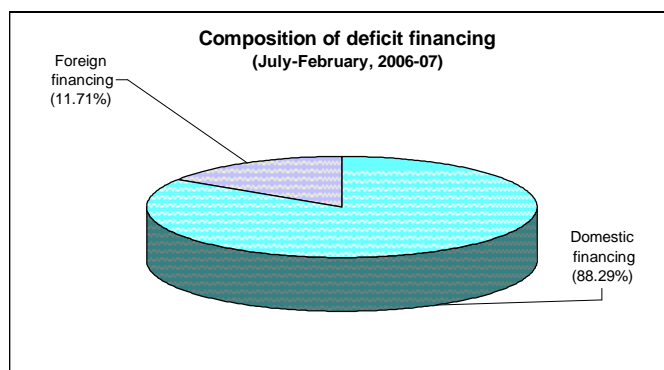
2/ : Excludes saving certificates held by the banks and includes treasury bills & bonds held by the non-bank financial institutions, T.bills have been taken at face value

3/ : Aid disbursement less amortization.

@ : Source-National Accounts Statistics, BBS. P=Provisional ; R=Revised

Total budget (deficit) financing of the government during July-February, 2006-07 stood higher at Tk.90.63 billion, against Tk.72.65 billion during July-February, 2005-06. Of this deficit, foreign financing stood lower at Tk.14.28 billion during July-February, 2006-07, against Tk.35.93 billion during July-February, 2005-06. Domestic financing during July-February, 2006-07 was significantly higher at Tk.76.35 billion, against Tk.36.72 billion during July-February, 2005-06. Outstanding domestic debt during July-February, 2006-07 increased by Tk.123.90 billion or 19.24 percent to Tk.767.95 billion, against TK.644.06 billion during July-February, 2005-06.

The composition of deficit financing from domestic and foreign sources during July-February, 2006-07 and July-February, 2005-06 can be observed from the charts below.



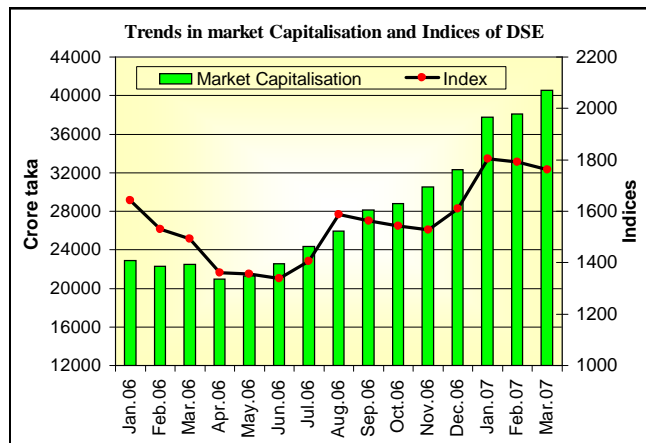
## 7. Capital market developments

<b>Annual capital market developments</b>					
Calendar Year	Enlisted Issues (Incl.Mut-Funds/Deb.)	(In crore taka)			General Index
		Issued Capital and Debentures	Market Capitalisation	Turnover during the Year	
2000	241	3119.20	6292.40	4036.48	642.68
2001	249	3325.50	6376.90	3986.95	817.79
2002	260	3520.30	7126.20	3498.43	822.34
2003	267	4605.50	9758.70	1915.23	967.88
2004	256	4953.20	22335.90	5318.14	1971.31
2005	286	7031.30	22829.00	6483.55	1677.35

<b>Monthly capital market developments(DSE)</b>					
Month (End Month)	Enlisted issues (Incl.Mut-Funds/Deb.)	(In crore taka)			General Index
		Issued capital and debentures	Market capitalisation	Turnover during the month	
January, 06	295	7391.50	22877.00	285.06	1643.34
February, 06	296	7523.00	22268.00	266.45	1531.43
March, 06	296	7644.10	22475.70	316.95	1491.77
April, 06	297	7762.40	20930.10	336.34	1361.27
May, 06	298	7910.70	21324.10	413.90	1355.04
June, 06	303	8572.30	22530.00	300.05	1339.53
July, 06	305	9123.20	24365.30	493.74	1406.81
August, 06	305	9154.70	25958.40	1177.57	1587.08
September, 06	302	9095.70	28102.10	995.97	1562.53
October, 06	303	9470.80	28782.90	463.07	1541.65
November, 06	309	11599.00	30527.50	666.93	1527.30
December, 06	310	11843.70	32336.80	790.39	1609.51
January, 07	317	13861.00	37736.40	1618.82	1805.12
February, 07	318	13868.50	38115.00	2108.26	1791.54
March, 07	322	15360.30	40549.30	1284.02	1760.88

Source : Dhaka Stock Exchange.

The General index at the end of March, 2007 stood lower at 1760.88 compared to 1791.54 at the end of February, 2007. Total market capitalisation of all shares and debentures of the listed securities at the end of March, 2007 stood higher at Tk.40549.30 crore, indicating Tk.2434.30 crore or 6.39 percent higher than Tk.38115.00 crore of the end of February, 2007.



## 8. Imports

### Import payments and import LCs opened

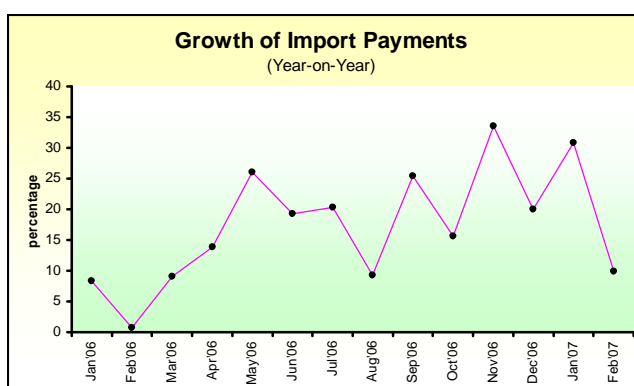
(In million US\$)

Import payments ( c&f )		Import LCs opened		
	<u>2005-2006</u> 14746.40 (+12.17)	<u>2004-2005</u> 13146.70 (+20.58)	<u>2005-2006</u> 15245.35 (+8.36)	
			<u>2004-2005</u> 14068.61 (+13.48)	
Month	Import payments		Import LCs opened	
	<u>2006-07<sup>P</sup></u>	<u>2005 - 2006<sup>R</sup></u>	<u>2006-07<sup>P</sup></u>	<u>2005 - 2006<sup>R</sup></u>
July	1351.20	1122.90	1323.61	1183.19
August	1302.10	1191.80	1454.29	1271.75
September	1322.10	1054.30	1457.14	1106.52
October	1296.20	1120.70	1433.17	1247.32
November	1546.70	1158.60	1593.10	1203.61
December	1451.90	1210.00	1572.63	1199.83
January	1524.00	1165.20	1163.75	1218.54
February	1328.70	1209.40	1204.54	1329.10
<b>July-February</b>	<b>11122.90</b> (+20.47)	<b>9232.90</b> (+9.79)	<b>11202.23</b> (+14.78)	<b>9759.86</b> (+4.02)
March	N.A.	1337.90	1646.94	1472.59
<b>July-March</b>	<b>N.A.</b>	<b>10570.80</b> (+9.10)	<b>12849.17</b> (+14.39)	<b>11232.45</b> (+3.94)

Note : Figures in brackets indicate percentage changes over the corresponding period of the preceding year.

R = Revised, P = Provisional ; N.A.=Not Available

Import payments in February, 2007 stood lower by US\$195.30 million or 12.81 percent to US\$1328.70 million, against US\$1524.00 million in January, 2007. This was, however, US\$119.30 million or 9.86 percent higher than US\$1209.40 million in February, 2006. Import payments during July-February, 2006-07 increased by US\$1890.10 million or 20.47 percent to US\$11122.90 million compared to US\$9232.90 million during July-February, 2005-06. Of the total import payments during July-February, 2006-07, imports under Cash and for EPZ stood at US\$10031.70 million, under Loans/Grants US\$66.80 million, import under direct investment US\$45.00 million and short term loan by BPC US\$979.40 million.



Fresh opening of import LCs in March, 2007 increased by US\$442.40 million or 36.73 percent to US\$1646.94 million compared to US\$1204.54 million in February, 2007. This was also US\$174.35 million or 11.84 percent higher than US\$1472.59 million in the same month of the previous year. Fresh opening of import LCs during July-March, 2006-07 increased by US\$1616.72 million or 14.39 percent to US\$12849.17 million against US\$11232.45 million during July-March, 2005-06.

Latest available sector-wise comparative statement of fresh opening, settlement and outstanding of import LCs during July-March, 2006-07 and during July-March, 2005-06 are shown below:

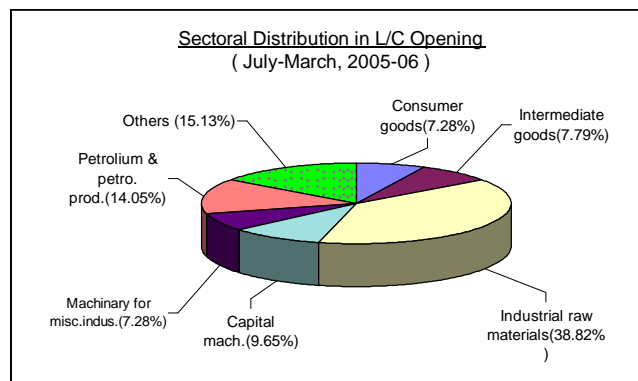
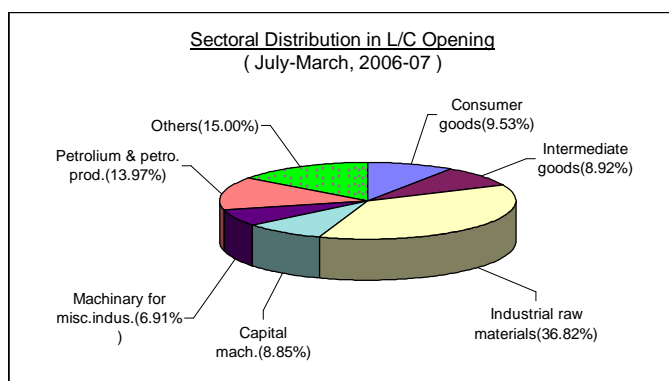
*Sector-wise comparative statement of opening, settlement and outstanding of import LCs*

(In million US\$)

Sectors / Commodities	July-March, 2006-07			July-March, 2005-06			Changes during July-March, 2006-07 over July-March, 2005-06		
	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period
A. Consumer goods	1224.81	951.19	483.78	817.32	791.41	225.71	+407.49	+159.78	+258.07
B. Intermediate goods	1146.65	994.22	300.73	875.03	802.69	242.43	+271.62	+191.54	+58.30
C. Industrial raw materials	4730.92	4422.44	2236.49	4359.96	3927.07	2068.90	+370.96	+495.37	+167.58
D. Capital machinery	1136.70	1151.96	854.72	1084.30	967.85	846.71	+52.40	+184.11	+8.01
E. Machinery for misc. industry	887.85	870.96	441.31	817.35	783.07	419.28	+70.50	+87.89	+22.04
F. Petroleum & petro.products	1794.95	1546.54	666.89	1578.52	1273.20	650.82	+216.43	+273.34	+16.06
G. Others	1927.30	1838.06	1179.05	1699.96	1488.05	1134.12	+227.34	+350.01	+44.93
<b>Total</b>	<b>12849.17</b>	<b>11775.37</b>	<b>6162.96</b>	<b>11232.45</b>	<b>10033.33</b>	<b>5587.98</b>	<b>+1616.73</b>	<b>+1742.04</b>	<b>+574.98</b>
of which back to back	2036.45	2041.75	1263.12	2057.22	1777.84	1260.48	-20.78	+263.91	+2.64

The above table shows significant increase in opening of import LCs for consumer goods, industrial raw materials, intermediate goods, petroleum & petro. products, machinery for misc. industry and capital machinery during July-March, 2006-07 compared to the same period of the preceding year.

The developments of each sector's share in total L/C opening during July-March, 2006-07 and during July-March, 2005-06 are shown in the following pie-diagrams.



Sector-wise detailed break-up of fresh opening, settlement and outstanding of import LCs during July-March, 2006-07 and during July-March, 2005-06 are given at Appendix.

## 9. Exports

### Annual and monthly trends in exports

(In million US\$)

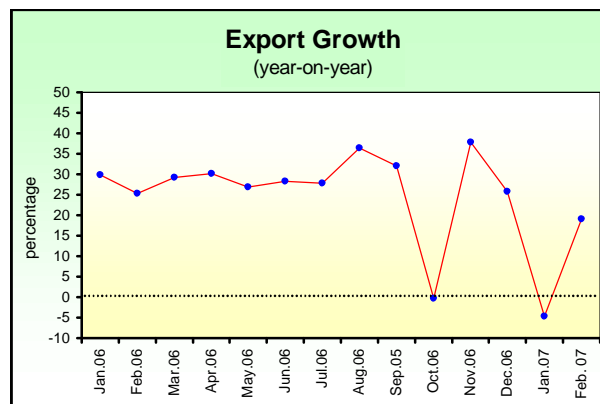
	<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>
<b>A. Annual exports</b>	7602.99 (+16.10)	8654.52 (+13.83)	10526.16 (+21.63)
<b>B. Monthly exports</b>	Month	<u>2006 - 2007<sup>P</sup></u>	<u>2005 - 2006<sup>R</sup></u>
	July	1158.07	905.53
	August	1158.45	849.01
	September	950.03	719.62
	October	870.78	872.91
	November	916.04	664.75
	December	1174.88	934.39
	January	816.39	855.96
	February	979.23	822.04
	<b>July-February</b>	<b>8023.87</b> <b>(+21.13)</b>	<b>6624.21</b> <b>(+17.91)</b>

Source : Export Promotion Bureau

Note :- Figures in brackets indicate percentage changes over the corresponding period of the previous year.

P=Provisional; R=Revised

According to EPB data, merchandise export shipments in February, 2007 stood at US\$979.23 million compared to US\$816.39 million in January, 2007. Total exports during July-February, 2006-07 increased by US\$1399.66 million or 21.13 percent to US\$8023.87 million against US\$6624.21 million during July-February, 2005-06.



Category-wise data on exports\* during July-January, 2006-07 and July-January, 2005-06 are given in the next page:

\* = Category-wise data on exports are not available for July-February, 2006-07.

## Category-wise exports

(In million US\$)

Particulars	July-January, 2006-07		July-January, 2005-06		Changes in July-January, 2006-07 Over July-January, 2005-06			
	Volume	Value	Volume	Value	In absolute amount		In percentage	
					Volume	Value	Volume	Value
1. Raw Jute (In lakh bale)	19.27	83.80	18.87	81.90	+0.40	+1.90	+2.14	+2.32
2. Jute goods (excl.carpet) (In lakh ton)	3.22	189.54	3.52	206.87	-0.30	-17.33	-8.52	-8.38
3. Tea (In million Kg.)	1.47	2.42	5.91	8.34	-4.44	-5.92	-75.13	-70.98
4. Frozen food (In million pound)	71.12	331.23	63.02	274.81	+8.10	+56.42	+12.85	+20.53
5. Leather (In million square feet)	35.99	150.15	51.89	140.11	-15.90	+10.04	-30.64	+7.17
6. Readymade garments (In lakh dozen)	771.00	2698.50	603.34	2262.54	+167.66	+435.96	+27.79	+19.27
7. Knitwear (In lakh dozen)	1154.50	2636.87	903.13	2086.23	+251.37	+550.64	+27.83	+26.39
8. Chemical products (In thousand metric ton) of which (fertilizer)	---	104.27 (212.27)	---	117.36 (70.65)	---	-13.09 (-16.04)	---	-11.15 (-22.70)
9. Agricultural products* (In thousand metric ton)	15.70	34.42	17.49	38.11	-1.79	-3.69	-10.23	-9.68
10. Engin.& Electro. goods	---	132.56	---	93.33	---	+39.23	---	+42.03
11. Others	---	675.94	---	491.19	---	+184.75	---	+37.61
<b>TOTAL</b>	---	<b>7039.70</b>	---	<b>5800.79</b>	---	<b>+1238.91</b>	---	<b>+21.36</b>

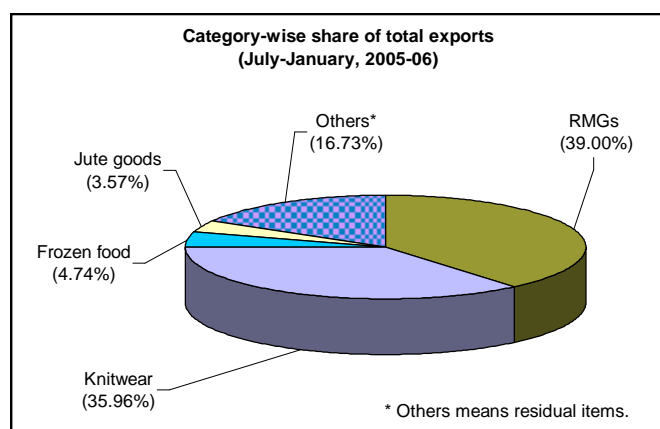
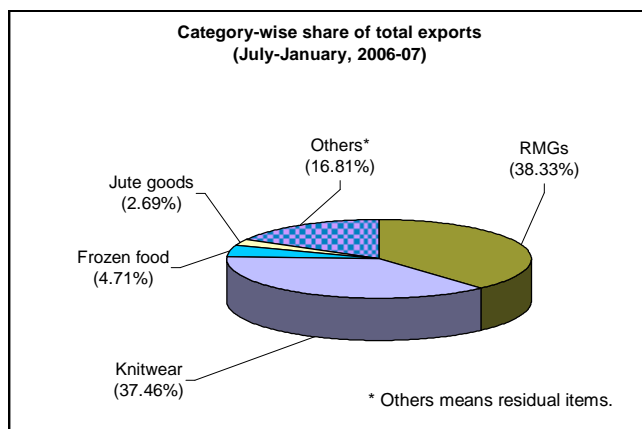
Source : Export Promotion Bureau

'---' = Not available.

\* = includes vegetables, fruits & tobacco.

Category-wise breakdown of exports shows that, during July-January, 2006-07, exports of knitwear and readymade garments recorded robust growth, exports of frozen food, engineering & electronics goods, leather and raw jute also experienced some increase.

On the other hand, exports of Jute goods (excl.carpet), chemical products, tea and agricultural products declined during the period under report compared to the same period of the last year.



## 10. Remittances

### Annual and monthly trends in remittances

(In million US\$)

A. Annual remittances	<u>2003-2004</u> 3371.97 (+10.12)	<u>2004-2005</u> 3848.29 (+14.13)	<u>2005-2006</u> 4801.88 (+24.78)
B. Monthly remittances	<b>Month</b>	<b>2006-07<sup>P</sup></b>	<b>2005-06</b>
	July	412.80	342.49
	August	471.22	377.36
	September	446.00	351.51
	October	377.34	374.19
	November	598.73	316.33
	December	555.08	416.99
	January	462.55	395.46
	February	500.32	424.02
	March	537.78	476.77
	<b>July-March</b>	<b>4361.82</b> (+25.52)	<b>3475.12</b> (+23.11)

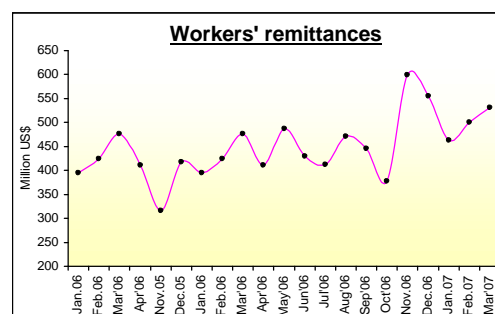
Source : Foreign Exchange Policy Department, Bangladesh Bank.

Note :- Figures in brackets indicate percentage changes over the corresponding period of the previous year.

P = Provisional ; R=Revised

Remittances in March, 2007 stood higher at US\$537.78 million, against US\$500.32 million of February, 2007 and this was also higher than US\$476.77 million of March, 2006.

Total remittance receipts during July-March, 2006-07 increased by US\$886.70 million or 25.52 percent to US\$4361.82 million, against US\$3475.12 million during July-March, 2005-06.



## 11. Foreign exchange holdings abroad

### (a) Gross foreign exchange reserves of Bangladesh Bank :

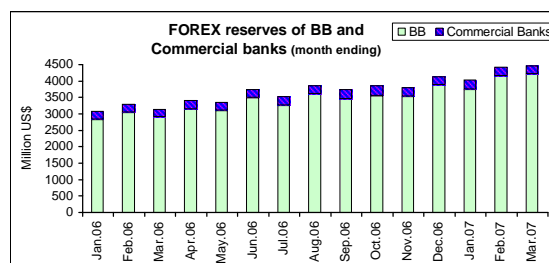
(In million US\$)

A. Outstanding stock at the end of the year	<u>2003-04</u> 2705.02 (+9.53)	<u>2004-05</u> 2929.89 (+8.31)	<u>2005-06</u> 3483.78 (+18.90)
B. Outstanding stock at the end of the month	<b>Month / Year</b>	<b>2006-07<sup>P</sup></b>	<b>2005-06</b>
	July	3244.97	2829.34
	August	3605.06	2869.32
	September	3447.43	2760.99
	October	3543.43	2795.84
	November	3533.73	2416.80
	December	3877.71	2825.76
	January	3739.44	2823.74
	February	4156.77	3029.55
	March	4199.52 (+44.30)	2910.35 (-4.07)

Source :Accounts & budgeting Department, Bangladesh Bank.

Note :- Figures in brackets indicate percentage changes over the corresponding period of the previous year.

Gross foreign exchange reserves of the BB stood higher at US\$4199.52 million as of end March, 2007, against US\$4156.77 million as of end February, 2007. This was also much higher than the US\$2910.35 million reserves as of end March, 2006.



### (b) Gross foreign exchange balances held abroad by commercial banks :

Gross foreign exchange balances held abroad by commercial banks were higher at US\$265.01 million as of end March, 2007, against US\$258.08 million as of end February, 2007. This was also higher than the balance of US\$230.41 million as of end March, 2006.

## 12. Balance of payments

(In million US\$)

	FY2004-05	FY2005-06 <sup>P</sup>	FY2005-06 (July-February)	FY2006-07 <sup>P</sup> (July-February)
<b>Trade balance</b>	<b>-3297</b>	<b>-2879</b>	<b>-1773</b>	<b>-2098</b>
Exports f.o.b(including EPZ) <sup>1/</sup>	8573	10422	6555	7977
Imports f.o.b(including EPZ)	-11870	-13301	-8328	-10075
<b>Services</b>	<b>-870</b>	<b>-1110</b>	<b>-716</b>	<b>-965</b>
Receipts	1177	1296	840	870
Payments	-2047	-2406	-1556	-1835
<b>Income</b>	<b>-680</b>	<b>-786</b>	<b>-469</b>	<b>-584</b>
Receipts	116	134	78	138
Payments	-796	-920	-547	-722
Of which:Official interest payment	-203	-201	-135	-157
<b>Current transfers</b>	<b>4290</b>	<b>5347</b>	<b>3381</b>	<b>4131</b>
Official transfers	37	34	33	4
Private transfers	4253	5313	3348	4127
of which : Workers' remittances	3848	4802	2998	3824
<b><u>Current account balance</u></b>	<b><u>-557</u></b>	<b><u>572</u></b>	<b><u>423</u></b>	<b><u>484</u></b>
<b><u>Capital account</u></b>	<b><u>163</u></b>	<b><u>242</u></b>	<b><u>222</u></b>	<b><u>50</u></b>
Capital transfers	163	242	222	50
<b><u>Financial account</u></b>	<b><u>784</u></b>	<b><u>-24</u></b>	<b><u>68</u></b>	<b><u>331</u></b>
i) Foreign direct investment(net)*	800	675	489	325
ii) Portfolio investment	0	32	16	42
iii) Other investment	-16	-731	-437	-36
MLT loans <sup>2/</sup>	940	921	604	427
MLT amortization payments	-449	-489	-304	-325
Other long-term loans (net)	-46	-58	-19	-22
Other short-term loans (net)	241	-256	-231	410
Other capital	-182	-245	-130	-97
Trade credit (net)	-320	-805	-551	-411
Commercial Bank	-200	201	194	-18
Assets	-91	56	30	-61
Liabilities	-109	145	164	43
<b><u>Errors and omissions</u></b>	<b><u>-323</u></b>	<b><u>-425</u></b>	<b><u>-772</u></b>	<b><u>-288</u></b>
<b><u>Overall balance</u></b>	<b><u>67</u></b>	<b><u>365</u></b>	<b><u>-59</u></b>	<b><u>577</u></b>
<b><u>Reserve assets</u></b>	<b><u>-67</u></b>	<b><u>-365</u></b>	<b><u>59</u></b>	<b><u>-577</u></b>
Bangladesh Bank	-67	-365	59	-577
Assets	-225	-554	-100	-673
Liabilities	158	189	159	96

Source :Statistics Department, Bangladesh Bank.

1/ Excludes local sales reported by EPB. Some adjustments necessiated by BOP considerations have been made.

2/ Excluding supplier's credit, reclassified as trade credit below.

\*=Estimated; P= Provisional

Trade balance recorded a larger deficit of US\$2098 million during July-February, 2006-07 compared to the deficit of US\$1773 million during July-February, 2005-06. Despite larger deficits in services and income, current account balance recorded a surplus of US\$484million during July-February, 2006-07 against the surplus of US\$423 million during July-February, 2005-06 due to larger current transfers of US\$4131 million. The overall balance showed a surplus of US\$577 million during July-February, 2006-07 against the deficit of US\$59 million during July-February, 2005-06 due to surplus in current account balance and financial account of US\$484 million and US\$331 million respectively.

### 13. Foreign Aid

(In million US\$)

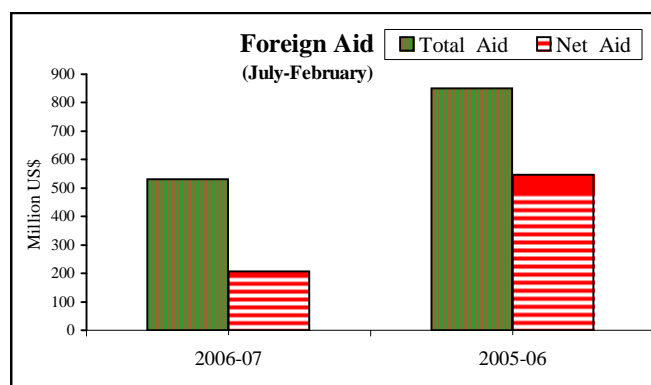
	Food Aid	Commodity Aid	Project Aid	Total Aid	Payment (Principal)	Net Foreign Aid						
1999-00	142.20	282.90	1150.00	1575.10	396.10	1179.00						
2000-01	50.80	183.70	1134.30	1368.80	416.46	952.34						
2001-02	35.78	154.91	1250.10	1440.79	420.99	1019.80						
2002-03	47.75	175.20	1362.07	1585.02	452.00	1133.02						
2003-04	35.00	11.50	907.00	953.50	397.00	556.50						
2004-05	24.29	0.00	1233.76	1258.05	448.60	809.45						
2005-06	15.80	0.00	1225.36	1241.16	488.80	752.36						
<b>FY2006-07<sup>P</sup></b>							<b>FY2005-06<sup>R</sup></b>					
Month	Food Aid	Commodity Aid	Project Aid	Total Aid	Payment (Principal)	Net Foreign Aid	Food Aid	Commodity Aid	Project Aid	Total Aid	Payment (Principal)	Net Foreign Aid
July	0.00	0.00	41.02	41.02	26.41	14.61	1.81	0.00	85.23	87.04	33.50	53.54
August	0.00	0.00	55.77	55.77	25.76	30.01	3.64	0.00	72.88	76.52	22.40	54.12
September	0.00	0.00	55.55	55.55	41.90	13.65	10.35	0.00	99.94	110.28	38.30	71.98
October	0.00	0.00	43.37	43.37	55.23	-11.86	0.00	0.00	61.01	61.01	49.80	11.21
November	0.00	0.00	57.79	57.79	55.60	2.19	0.00	0.00	85.32	85.32	55.60	29.72
December	0.00	0.00	208.19	208.19	56.40	151.79	0.00	0.00	247.50	247.50	51.00	196.50
January	0.00	0.00	34.38	34.38	38.80	-4.42	0.00	0.00	122.97	122.97	32.80	90.17
February	0.00	0.00	36.06	36.06	25.28	10.78	0.00	0.00	59.80	59.80	20.70	39.10
July-February	0.00	0.00	532.12	532.12	325.38	206.74	15.80	0.00	834.64	850.44	304.10	546.34

Source: Economic Relation Division(ERD), Ministry of Finance.

Notes: P=Provisional; R = Revised

**Total aid disbursements** during July-February, 2006-07 was lower at US\$532.12 million, compared to US\$850.44 million during July-February, 2005-06.

**Net receipts of foreign aid** during July-February, 2006-07 stood markedly lower at US\$206.74 million, against US\$546.34 million during July-February, 2005-06.



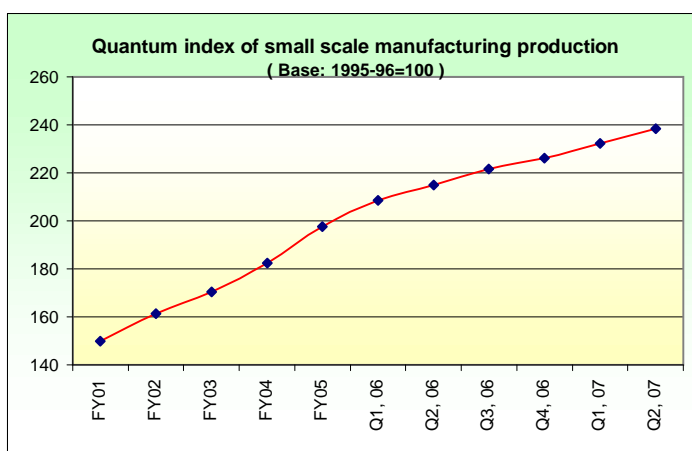
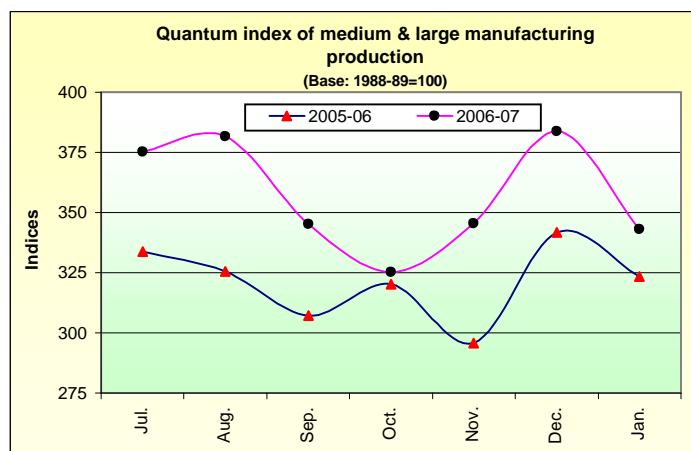
# 14. Industrial Production

## Quantum index of medium and large scale manufacturing industries (Base:1988-89=100)

Commodities	FY2005-2006 <sup>R</sup>		FY2004-2005 <sup>R</sup>		FY2003-2004	
	327.09 (+12.49)		290.78 (+6.85)		272.13 (+6.95)	
	FY2006-2007 <sup>P</sup>		FY2005-2006 <sup>R</sup>		%Changes of	% change during
	January, 2007	July- January, 06-07	January, 2006	July- January, 05-06	January, 06 over January, 2006	July- January, 06-07 over July- January, 05-06
1	2	3	4	5	6	7
<b>1. General index</b>	<b>343.15</b>	<b>357.11</b>	<b>323.53</b>	<b>321.08</b>	<b>+6.06</b>	<b>+11.22</b>
<b>2. Sub-indices</b>						
i) Food bever. & tobacco	269.15	293.36	260.61	285.82	+3.28	+2.64
ii) Jute, cott, w. aprl.& leather	421.06	452.52	405.84	383.99	+3.75	+17.85
iii) Wood product incl. furniture	248.57	248.21	249.27	237.05	-0.28	+4.71
iv) Paper and paper product	466.78	415.66	398.91	397.83	+17.01	+4.48
v) Chemical, petro & rubber	305.38	302.71	279.31	275.25	+9.33	+9.97
vi) Non-metalic product	432.95	428.90	403.04	409.65	+7.42	+4.70
vii) Basic metal product	280.52	275.38	247.40	243.05	+13.39	+13.30
viii) Fabricated metal product	158.18	155.27	141.61	140.29	+11.70	+10.67

Source: Bangladesh Bureau of Statistics.

P=Provisional ; R=Revised



The general index of industrial production (medium & large scale manufacturing) stood higher at 357.11 during July-January, 2006-07, recording an increase of 11.22 percent over July-January, 2005-06.

Indices recording increases during July-January, 2006-07 compared to the same period of the preceding year are : Jute, cott., w. aprl & leather (+17.85%), Basic metal product (+13.30%), Fabricated metal product (+10.67%), Chemical, petro.& rubber (+9.97%), Wood product incl. furniture (+4.71%), Non-metalic product (+4.70%), Paper & paper prod. (+4.48%) and Food bever. & tobacco (+2.64) .

The general index of small scale manufacturing industry during second quarter (October-December) of FY07 increased by 11.04 percent to 238.51 as compared to 214.80 during the same quarter of the previous fiscal year.

## 15. Food situation

(In lakh metric ton)

Year	Production	Total Production	Net Production	Requirement	Import	Procurement	Distribution	Actual Stock (End June)
FY2004-05	300.49 <sup>T</sup>	261.33	235.20	226.82	33.74	8.99	13.55	7.48
FY2005-06 <sup>P</sup>	275.70 <sup>T</sup>	272.68	245.41	230.13	25.62	9.45	12.39	7.35
FY2006-07(Target) <sup>R</sup>	322.66	N.A.	290.40	233.44	27.54	11.75	16.72	7.75
Particulars	<b>FY 2006-2007<sup>P</sup></b> (July-March)			<b>FY 2005-2006</b> (July-March)				
1. Production (Aus and Aman)	124.12 <sup>P</sup>			125.55				
2. Imports (Rice & Wheat)	17.08			19.41				
3. Procurement (Rice & Wheat)	7.05			4.44				
4. Distribution (Rice & Wheat)	9.11			8.58				
5. Food Stock	6.14			5.89				

Source : Bangladesh Food Situation Report, FPMU, Ministry of Food & DAE, Ministry of Agriculture.

Note : P = Provisional, T=Target, R= Revised

Total production target of foodgrains during FY 2006-07 has been refixed at 322.66 lakh metric tons. Production of food grains (Aus and Aman) during July-March, 2006-07 stood lower at 124.12 lakh metric tons which was 125.55 lakh metric tons during July-March, 2005-06. Import of foodgrains during July-March, 2006-07 stood lower at 17.08 lakh metric tons compared to 19.41 lakh metric tons during the same period of the last year. Stock of foodgrains with the government stood higher at 6.14 lakh metric tons during July-March, 2006-07 compared to 5.89 lakh metric tons during July-March, 2005-06.

## 16. Inflation

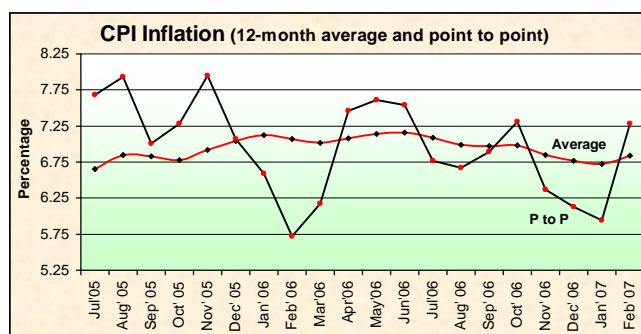
(In percent)

Annual CPI inflation at national level (Base : FY96=100)						
Year	On Average Basis			On Point to Point Basis		
	Food	Non-food	General	Food	Non-food	General
<b>2003-2004</b>	6.93	4.37	<b>5.83</b>	6.64	4.26	<b>5.64</b>
<b>2004-2005</b>	7.90	4.33	<b>6.49</b>	8.73	5.32	<b>7.35</b>
<b>2005-2006</b>	7.76	6.4	<b>7.16</b>	8.81	5.73	<b>7.54</b>
<b>2005-2006</b>						
July	8.12	4.42	<b>6.65</b>	9.19	5.46	<b>7.68</b>
August	8.40	4.52	<b>6.85</b>	9.43	5.71	<b>7.93</b>
September	8.20	4.74	<b>6.83</b>	7.20	6.86	<b>7.01</b>
October	7.95	4.99	<b>6.78</b>	7.42	7.12	<b>7.28</b>
November	7.99	5.25	<b>6.92</b>	8.58	7.03	<b>7.95</b>
December	8.03	5.54	<b>7.04</b>	7.14	7.13	<b>7.07</b>
January	8.04	5.77	<b>7.12</b>	6.67	6.70	<b>6.59</b>
February	7.85	5.95	<b>7.07</b>	5.53	6.28	<b>5.72</b>
<b>2006-2007<sup>P</sup></b>						
July	7.62	6.44	<b>7.09</b>	7.42	5.92	<b>6.77</b>
August	7.45	6.43	<b>6.99</b>	7.42	5.64	<b>6.67</b>
September	7.55	6.26	<b>6.97</b>	8.25	4.86	<b>6.89</b>
October	7.69	6.06	<b>6.98</b>	9.00	4.76	<b>7.31</b>
November	7.58	5.88	<b>6.85</b>	7.28	4.87	<b>6.37</b>
December	7.57	5.67	<b>6.77</b>	7.08	4.65	<b>6.13</b>
January	7.56	5.53	<b>6.72</b>	6.65	4.95	<b>5.94</b>
February	7.79	5.49	<b>6.84</b>	8.36	5.74	<b>7.28</b>

Source : Bangladesh Bureau of Statistics. Note : P = Provisional.

The annual average rate of inflation (12-month annual average CPI , 1995-96=100) increased to 6.84 percent in February, 2007 from 6.72 percent of January, 2007.

The rate of inflation on point to point basis also increased to 7.28 percent in February, 2007 from 5.94 percent of January, 2007.



# 17. Financial Sector Prices:

## a) Interest Rate Development <sup>1/</sup>:

Period	Treasury Bills				Bangladesh Bank Bills		BGTB		Repo	Rev. Repo	Call Rate	Lending	Deposit
	28-Day	91-Day	182-Day	364-Day	30-Day	91-Day	5-Year	10-Year	1-2 Day	1-2 Day		Rate	Rate
<b>2005-06</b>													
July	6.64	6.70	6.80	7.03	...	...	...	...	...	4.56	5.42	...	...
August	6.68	...	...	7.04	...	...	...	...	...	5.00	6.32	...	...
September	6.72	6.85	6.98	7.13	...	...	...	...	...	5.02	6.09	11.15	5.90
October	6.78	6.90	...	7.18	...	...	...	...	...	5.32	7.23	...	...
November	6.86	7.00	...	7.23	...	...	...	...	...	5.50	8.46	...	...
December	6.96	7.02	7.20	7.45	...	...	10.50	11.65	...	5.50	8.40	11.25	5.90
January	7.00	7.15	7.40	7.68	...	...	...	...	8.00	5.51	15.61	...	...
February	7.03	...	7.45	7.75	...	...	10.60	12.09	...	5.55	12.13	...	...
March	7.05	7.25	7.49	7.85	...	...	...	...	...	5.60	17.15	11.60	6.26
April	7.07	...	...	8.00	...	...	10.62	12.05	...	6.08	21.63	...	...
May	7.07	7.40	7.65	8.10	...	...	...	...	8.50	6.00	15.15	...	...
June	7.10	7.43	7.75	8.30	...	...	10.65	12.10	...	6.04	10.84	12.06	6.68
<b>2006-07</b>													
July	7.15	7.45	7.82	8.35	...	...	...	...	...	6.22	7.56	...	...
August	7.24	7.51	...	8.40	...	...	10.86	12.36	...	6.25	7.49	...	...
September	7.24	7.55	7.83	8.38	...	...	10.86	12.49	...	6.49	7.36	12.41	6.98
October	7.24	7.55	7.83	8.42	7.30	7.55	10.79	12.48	...	6.50	7.31	...	...
November	7.28	7.56	7.84	8.42	7.35	...	10.80	12.44	...	6.50	7.19	...	...
December	7.33	7.52	7.84	8.45	7.37	...	10.89	12.49	...	6.50	7.16	12.60	6.99
January	7.35	7.58	7.85	8.45	7.38	...	10.90	12.50	...	6.50	7.31	...	...
February	7.35	7.58	7.86	8.46	7.38	...	10.90	12.50	...	6.50	6.90	...	...
March	7.32	7.58	7.86	8.45	7.38	7.58	...	12.50	9.00	6.50	6.99	...	...
April*	7.33	7.58	7.88	8.45	7.38	...	10.79	...	...	6.50	7.56	...	...

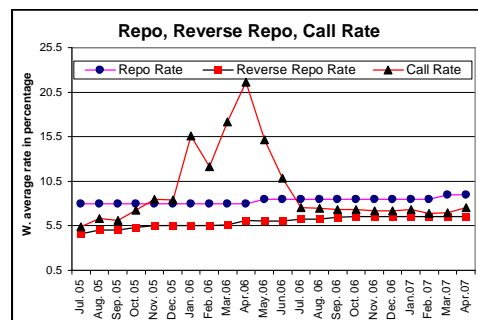
Source: MPD, FRTMD, Statistics Department, Bangladesh Bank.

1/ Weighted average rate.

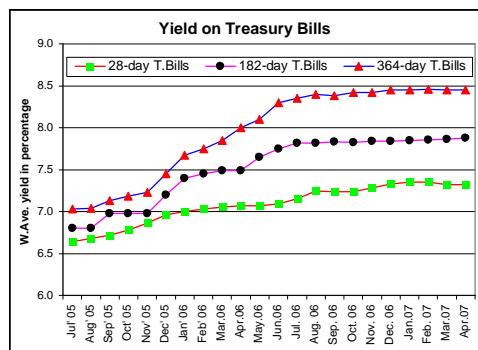
\* upto 22/04/07.

... indicate that data are not available.

Reverse repo rates (1-2 Day tenure) remained unchanged at 6.50 percent upto 22 April, 2007 as it was in March, 2007. The weighted average call money rate in the inter-bank money market increased to 7.56 percent upto 22 April, 2007 from 6.99 percent in March, 2007.



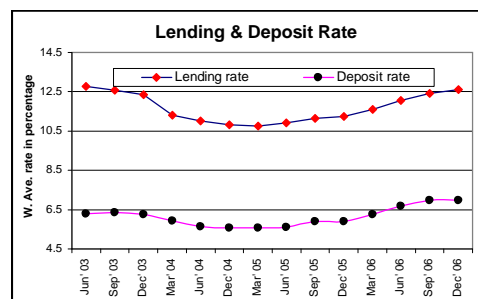
The weighted average yields on 28-Day and 182-Day treasury bills upto 22 April, 2007 increased to 7.33 percent and 7.88 percent respectively as compared to 7.32 percent and 7.86 percent respectively in March, 2007. The weighted average yield on 91-Day and 364-Day treasury bill upto 22 April, 2007 remained unchanged at 7.58 percent and 8.45 percent as those were in March, 2007.



The weighted average yield on 30-Day Bangladesh Bank bill remained unchanged at 7.38 percent in April, 2007 as it was in March, 2007. However, the weighted average yield on 91-Day Bangladesh Bank bill increased to 7.58 percent in March, 2007 from 7.55 percent in October, 2006.

Yield on 5-Year BGTB decreased to 10.79 percent in April, 2007 as compared to 10.90 percent in February, 2007. Yield on 10-Year BGTB remained unchanged at 12.50 percent in March, 2007 as it was in February, 2007.

Lending rate and deposit rate (calculated on quarterly basis) of scheduled banks stood higher at 12.60 percent and 6.99 percent respectively in December, 2006 as compared to 12.41 percent and 6.98 percent in September, 2006.



## b) Exchange Rate Movements <sup>2/</sup> :

(Taka per US\$)

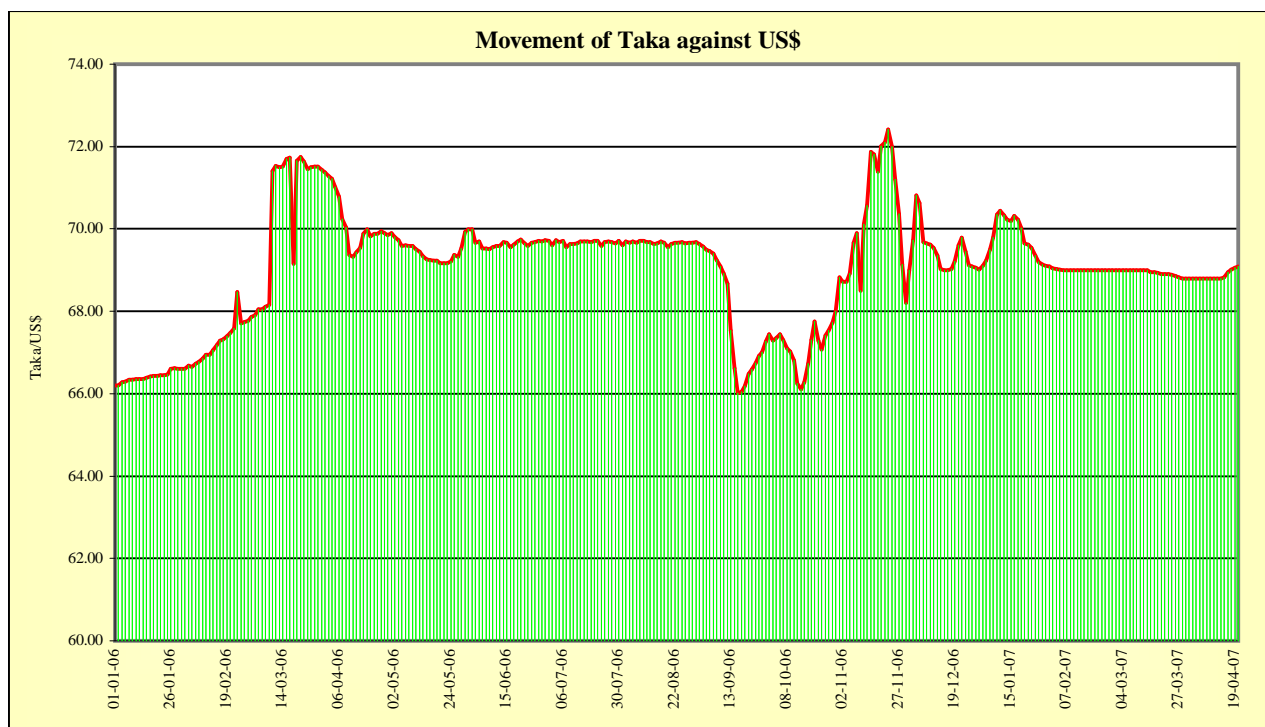
Month	2005-06 <sup>R</sup>		2006-07 <sup>P</sup>	
	Month Average	End Month	Month Average	End Month
July	64.15	64.75	69.65	69.65
August	64.76	65.43	69.62	69.60
September	65.61	65.68	67.96	67.30
October	65.71	65.75	67.09	67.49
November	65.79	65.87	69.91	68.54
December	66.07	66.25	69.46	69.07
January	66.40	66.60	69.69	69.11
February	67.09	67.73	69.02	69.00
March	69.56	70.35	68.94	68.81
April	70.05	70.40	---	---
May	69.43	69.68	---	---
June	69.67	69.67	---	---

Source: Statistics Department.

Note: 2/ Exchange rate represent the mid-value of buying and selling rates.

P= Provisional, R=Revised ; ... indicate that data are not available.

Exchange rate of Taka per US\$ decreased to Tk.68.81 at the end of March, 2007 from Tk.69.67 at the end of June, 2006. Taka appreciated by 1.25 percent as of end March, 2007 over June, 2006.



**APPENDIX**

*Break-up of Fresh Opening, Settlement and Outstanding of Import LCs*

(In million US\$)

Sectors / Commodities	July-March, 2006-07			July-March, 2005-06			Changes during July-March, 2006-07 over July-March, 2005-06		
	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period
<b>A. Consumer goods</b>	<b>1224.81</b>	<b>951.19</b>	<b>483.78</b>	<b>817.32</b>	<b>791.41</b>	<b>225.71</b>	<b>+407.49</b>	<b>+159.78</b>	<b>+258.07</b>
Rice and wheat	471.01	332.21	180.72	330.43	330.52	72.81	+140.58	+1.69	+107.91
Sugar and salt	284.80	168.92	161.59	95.11	82.75	34.79	+189.69	+86.17	+126.80
Milk food	88.75	77.40	43.53	70.43	60.04	36.29	+18.32	+17.36	+7.24
Edible oil (refind)	0.86	0.78	0.44	3.49	3.52	0.34	-2.63	-2.74	+0.10
All kinds of fruits	42.70	39.52	13.93	46.65	41.15	14.68	-3.95	-1.64	-0.75
Pulses	149.13	151.59	38.47	124.06	123.44	33.76	+25.07	+28.15	+4.71
Onion	50.57	49.12	6.54	54.77	53.35	5.03	-4.20	-4.24	+1.51
Spices	45.07	42.35	7.24	22.45	22.56	4.42	+22.62	+19.78	+2.82
Second hand clothings	0.76	0.22	1.05	3.13	2.01	1.24	-2.37	-1.78	-0.18
Drugs and medicines(finished)	37.20	37.94	12.01	27.01	32.55	12.23	+10.18	+5.39	-0.22
Others	53.96	51.14	18.25	39.79	39.51	10.12	+14.17	+11.63	+8.13
<b>B. Intermediate goods</b>	<b>1146.65</b>	<b>994.22</b>	<b>300.73</b>	<b>875.03</b>	<b>802.69</b>	<b>242.43</b>	<b>+271.62</b>	<b>+191.54</b>	<b>+58.30</b>
Coal	45.44	38.99	16.99	37.68	32.83	14.02	+7.76	+6.16	+2.97
Cement	4.13	4.20	1.27	3.40	2.54	2.23	+0.73	+1.66	-0.96
Clinker & limestone	146.91	129.27	41.79	144.90	133.97	35.47	+2.00	-4.70	+6.32
B. P. sheet	102.99	87.18	35.28	85.46	80.81	25.53	+17.53	+6.37	+9.75
Tin plate	7.10	8.59	2.01	8.95	6.70	3.09	-1.84	+1.88	-1.08
Scrap Vessels	382.52	343.28	60.43	209.67	213.31	39.53	+172.85	+129.96	+20.90
Iron and steel scrap	182.41	132.86	61.00	141.25	115.70	48.57	+41.15	+17.16	+12.43
Non-ferrous metal	95.13	80.36	29.09	72.83	61.34	24.27	+22.30	+19.02	+4.82
Paper and paper board	166.39	155.65	46.47	151.16	142.04	39.11	+15.23	+13.61	+7.35
Others	13.64	13.85	6.40	19.72	13.45	10.60	-6.08	+0.41	-4.21
<b>C. Industrial raw materials</b>	<b>4730.92</b>	<b>4422.44</b>	<b>2236.49</b>	<b>4359.96</b>	<b>3927.07</b>	<b>2068.90</b>	<b>+370.96</b>	<b>+495.37</b>	<b>+167.58</b>
Edible oil & oil seeds	507.43	414.19	154.83	383.85	379.35	93.12	+123.58	+34.84	+61.71
Textile fabrics (B/B & others)	1921.82	1915.11	1157.31	1908.25	1655.28	1151.13	+13.58	+259.84	+6.18
Pharmaceutical raw materials	123.72	144.21	32.28	147.80	134.58	67.70	-24.08	+9.64	-35.42
Raw cotton	647.81	581.26	279.66	549.35	503.89	204.61	+98.46	+77.38	+75.05
Cotton yarn	268.46	267.15	210.73	293.54	225.33	208.55	-25.09	+41.82	+2.18
Copra	1.78	1.64	0.69	1.95	1.35	1.72	-0.17	+0.29	-1.02
Synthetic fibre & yarn	171.13	179.27	86.59	162.24	165.61	77.48	+8.89	+13.67	+9.11
Chemicals & chem. products	1088.77	919.60	314.39	912.97	861.69	264.60	+175.80	+57.90	+49.79

(contd. on page 24)

**APPENDIX**

*Break-up of Fresh Opening, Settlement and Outstanding of Import LCs*

(In million US\$)

Sectors / Commodities	July-March, 2006-07			July-March, 2005-06			Changes during July-March, 2006-07 over July-March, 2005-06		
	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period	Fresh LCs opening	Settlement of LCs	Outstanding LCs at the end of the period
<b>D. Capital machinery</b>	<b>1136.70</b>	<b>1151.96</b>	<b>854.72</b>	<b>1084.30</b>	<b>967.85</b>	<b>846.71</b>	<b>+52.40</b>	<b>+184.11</b>	<b>+8.01</b>
Textile machinery	332.02	373.38	265.56	398.52	297.58	279.39	-66.50	+75.80	-13.83
Leather / tannery	2.27	1.58	2.00	3.32	4.14	0.63	-1.05	-2.56	+1.36
Jute industry	5.12	4.86	1.59	16.51	21.62	7.09	-11.38	-16.77	-5.50
Garment industry	255.06	264.98	182.14	268.02	197.90	182.69	-12.96	+67.07	-0.54
Pharmaceutical industry	16.61	20.38	17.23	18.82	13.01	21.14	-2.21	+7.38	-3.91
Packing industry	9.53	4.52	14.51	8.67	10.31	8.46	+0.85	-5.79	+6.04
Other industry	516.08	482.27	371.70	370.43	423.28	347.31	+145.65	+58.99	+24.39
<b>E. Machinery for misc. industry</b>	<b>887.85</b>	<b>870.96</b>	<b>441.31</b>	<b>817.35</b>	<b>783.07</b>	<b>419.28</b>	<b>+70.50</b>	<b>+87.89</b>	<b>+22.04</b>
Other machineries	192.13	176.41	162.46	167.27	129.19	146.57	+24.86	+47.23	+15.89
Marine diesel engine	5.30	5.45	4.59	3.67	5.01	4.67	+1.63	+0.45	-0.08
Computer & its accessories	116.29	116.05	40.42	84.53	78.11	39.69	+31.76	+37.94	+0.74
Motor vehicle & motorcycle parts	27.56	26.66	11.44	20.65	19.72	9.09	+6.91	+6.93	+2.35
Bicycle parts	11.06	12.75	8.70	16.25	14.75	7.83	-5.19	-2.00	+0.87
Other iron and steel products	133.97	124.61	53.58	144.99	133.61	52.75	-11.01	-9.00	+0.83
Motor vehicles	185.92	191.71	80.76	190.33	189.90	93.89	-4.42	+1.81	-13.13
Other electronics components	89.99	86.86	29.62	83.92	93.24	26.07	+6.07	-6.38	+3.55
Tractors & power tiller	36.97	40.04	11.69	35.61	41.29	9.77	+1.36	-1.26	+1.92
Others	88.65	90.43	38.05	70.13	78.25	28.95	+18.53	+12.19	+9.10
<b>F. Petroleum &amp; petro.products</b>	<b>1794.95</b>	<b>1546.54</b>	<b>666.89</b>	<b>1578.52</b>	<b>1273.20</b>	<b>650.82</b>	<b>+216.43</b>	<b>+273.34</b>	<b>+16.06</b>
Crude	446.94	337.08	198.22	562.27	380.28	159.29	-115.33	-43.20	+38.94
Refined	1348.01	1209.46	468.67	1016.25	892.92	491.54	+331.76	+316.53	-22.87
<b>G. Others</b>	<b>1927.30</b>	<b>1838.06</b>	<b>1179.05</b>	<b>1699.96</b>	<b>1488.05</b>	<b>1134.12</b>	<b>+227.34</b>	<b>+350.01</b>	<b>+44.93</b>
Commercial sector	1320.06	1078.62	606.87	904.10	854.43	402.12	+415.95	+224.19	+204.75
Industrial sector	607.24	759.44	572.18	795.86	633.62	732.00	-188.62	+125.82	-159.82
<b>Total</b>	<b>12849.17</b>	<b>11775.37</b>	<b>6162.96</b>	<b>11232.45</b>	<b>10033.33</b>	<b>5587.98</b>	<b>+1616.73</b>	<b>+1742.04</b>	<b>+574.98</b>
of which back to back	2036.45	2041.75	1263.12	2057.22	1777.84	1260.48	-20.78	+263.91	+2.64