



Monthly Report on Fiscal-Macro Position

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Executive Summary

The July 2024 issue of the report on the Fiscal-Macro position contains relevant data and analysis on the movement of major macroeconomic variables in the current month compared to the same period of the previous year. An overview of the report is given below:

Fiscal Sector

Total Revenue collection in July FY25 demonstrated a minimal uptrend (y-on-y) of 1.56 percent while Tax revenue decreased by 2.51 percent and non-tax revenue increased by 33.77 percent than that of July FY24. Overall government expenditure increased by 28.65 percent in July FY25 compared to that of July FY24. According to the Implementation, Monitoring and Evaluation Division (IMED) of the Ministry of Planning, the execution rate of ADP is 1.05 percent. The overall budget deficit (including grants) is Tk 2,889.92 crore which is 0.06 percent of the projected GDP for FY25¹.

Monetary Sector

Broad money (M2) increased by 8.58 percent at the end of July FY25 compared to that of July FY24. Of the sources of broad money, Net Domestic Asset (NDA) increased by 13.00 percent while Net Foreign Asset decreased by 10.75 percent. Reserve money increased by 6.47 percent at the end of July FY25 compared to that of July FY24. Money multiplier rose to 5.36 at the end of July 2025 from 4.96 at the end of June 2024.

External Sector

In July FY25, total exports did not grow to the strategic target. Exports increased by merely 2.91 percent after July FY25 compared to exports after July FY24. Imports decreased by 20.79 percent on July FY25 compared to that of July FY24. Import showing down trend due to some tuff monitoring measures taken by Bangladesh Bank. Workers' remittances in July FY25 decreased by 3.02 percent to USD 1913.58 million against USD 1973.15 million in July FY24. The current account deficit also has reduced to US\$ 193 million in July FY25 compared to a deficit of US\$ 295 million for the same period of the previous fiscal year. Gross foreign exchange reserves stood at USD 25.82 billion in July FY25 which was sufficient to pay import liability of 4.8 months, considering the average of the previous 12 months' imports.

Real Sector

The industrial production of Large Scale has increased by 3.45 percent, whereas, SMME Scale and Cottage Scale has shown a decrease of 0.35 percent and 1.65 percent respectively during July 2024 in comparison to that of July 2023. Point to point inflation increased to 11.66 percent in July FY25 from 9.72 percent of June FY24 where food inflation increased from 10.42 to 14.1 percent, non-food inflation increased to 9.68 percent from 9.15 percent. On a twelve-month average basis inflation rose to 9.89 percent in July FY24 from 9.73 percent in June FY24.

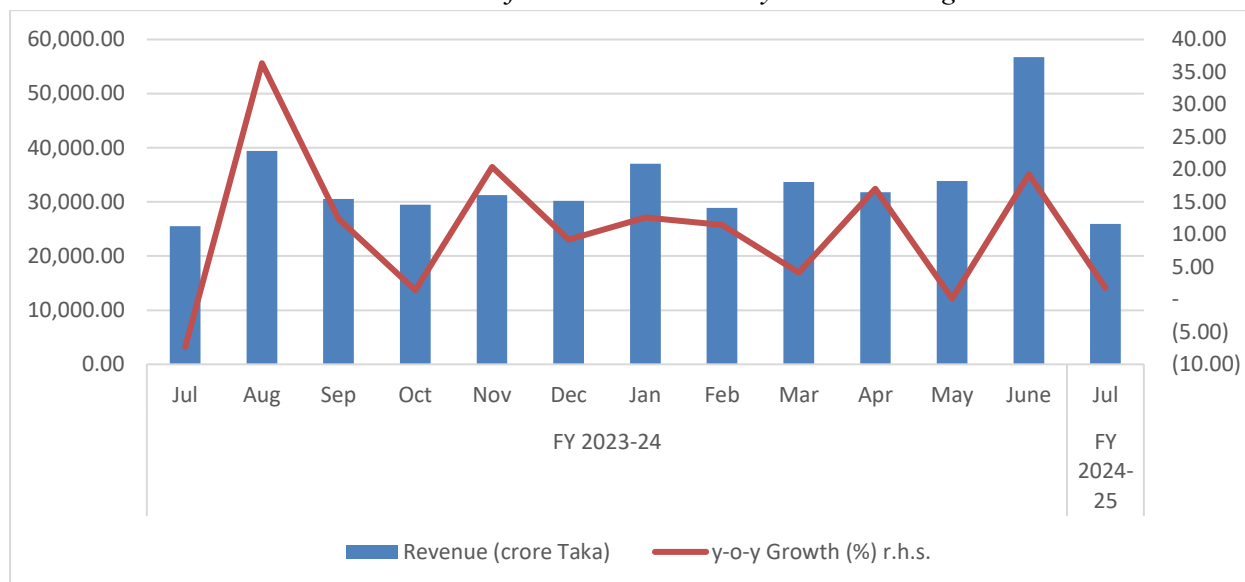
¹ Fiscal sector data collected from iBAS on 8 November 2024

1. FISCAL SECTOR

1.1 Revenue Earnings

Total Revenue collection in July FY25 demonstrated a down trend (y-on-y) of 1.56 percent while Tax revenue decreased by 2.51 percent and non-tax revenue increased by 33.77 percent than that of July FY24.

Chart 1.1: Trend of Government's monthly revenue earnings



Source: Integrated Budgeting & Accounting System (iBAS++), Finance Division;

Table 1.1: Revenue Earnings (crore taka)

Period	Tax Revenue			Non-Tax Revenue	Total Revenue
	NBR	Non-NBR	Total		
2024-25 (July-July)	21,478.45	644.65	22,123.10	3,835.36	25,958.46
2023-24 (July-July)	22,025.50	666.22	22,691.72	2,867.18	25,558.90
Growth (%)	(2.48)	(3.24)	(2.51)	33.77	1.56
2023-24 (Actual)	361,457.68	8,323.36	369,781.04	39,266.16	409,047.21
2022-23 (Actual)	319,844.32	7,949.84	327,794.15	38,952.19	366,746.34
Growth (%)	13.01	4.70	12.81	0.81	11.53

Source: Integrated Budgeting & Accounting System (iBAS++), Finance Division.

1.2 Government Expenditure

Total operating expenses increased by 28.15 percent to Tk. 27,122.48 crore in July FY25 compared to Tk. 21,165.30 crore in July FY24. However, the ADP implementation in July FY25 increased by 12.78 percent compared to that of July FY24. The case of overall development expenditure increased by 12.69 percent than that of previous year. Overall government expenditure increased by 28.65 percent in July FY25 compared to that of July FY24. According to the Implementation, Monitoring and Evaluation Division (IMED) of the Ministry of Planning, the execution rate of ADP is 1.05 percent.

Table 1.2: Government Expenditure (Crore taka)

	2024-25 (July-July)	2023-24 (July-July)	Growth (%) (July-July)	2023-24	2022-23	Yearly Growth (%)
a1. Operating Recurrent Expenditure	26,855.61	21,127.20	27.11	395,798.63	357,147.46	10.82
Pay and Allowances	4,804.44	4,503.74	6.68	67,383.30	63,847.06	5.54
Use of Goods and Services	877.25	926.71	-5.34	39,632.64	33,921.66	16.84
Interest Payment	15,508.92	10,000.22	55.09	114,756.11	92,110.18	24.59
<i>Domestic</i>	13,946.82	8,703.96	60.24	99,605.73	82,672.76	20.48
<i>Foreign</i>	1,562.10	1,296.26	20.51	15,150.38	9,437.43	60.54
Subsidies and Transfer	5,665.00	5,696.53	-0.55	174,026.59	167,268.56	4.04
a2. Operating Capital Expenditure	266.87	38.10	600.50	14,163.23	12,817.15	10.50
a) Total Operating Expenditure (a1+a2)	27,122.48	21,165.30	28.15	409,961.87	369,964.60	10.81
b) Outlay for Food Accounts	1,280.72	903.92	41.68	-1,295.03	1,013.46	-227.78
c) Loans and Advances-Net	-518.37	-584.14	-11.26	-8,588.02	-2,178.41	294.23
d) Development Expenditure	1,731.46	1,536.46	12.69	210,181.44	205,509.71	2.27
<i>Of which ADP</i>	1,731.32	1,535.19	12.78	196,017.69	192,278.87	1.94
Total Expenditure (a+b+c+d)	29,616.29	23,021.53	28.65	610,260.26	574,309.36	6.26
Total Expenditure (as % of GDP)	7.10	6.22	0.88	13.75	12.79	0.96
Memo Item: GDP	5,006,782.00	4,439,273.00	12.78	4,439,273.00	4,490,800.00	-1.15

Source: Finance Division and Latest BBS Publications with the new base 2015-16. * Projected GDP for FY2023-24.

1.3 Budget Deficit

In July FY25, the overall budget deficit (including grants) is Tk 2,889.92 crore which is 0.06 percent of the projected GDP for FY25. For the same period of the previous Fiscal Year, the overall budget surplus had been taka 2,537.37 crore which is 0.06 percent of GDP of that year.

Table 1.3: Budget Balance (Crore taka)

Year	Overall Balance	Overall Balance as % of GDP	GDP
2024-25 (July-July)	-2,889.92	-0.06	5,006,782.00
2023-24 (July-July)	2,537.37	0.06	4,439,273.00
2023-24	-194,909.53	-4.39	4,439,273.00
2022-23	-204,811.20	-4.79	4,490,800.00

Source: Integrated Budgeting & Accounting System (iBAS++), Finance Division;

1.4 Deficit Financing

The government arranged its financing requirement from the banking system in the first month of the fiscal year to repay the non-bank borrowing loans undertaken in the past. Therefore, the Government has financed its budget deficit predominantly from the bank on July FY25.

Table 1.4: Deficit financing (Crore taka, Excluding Grants)

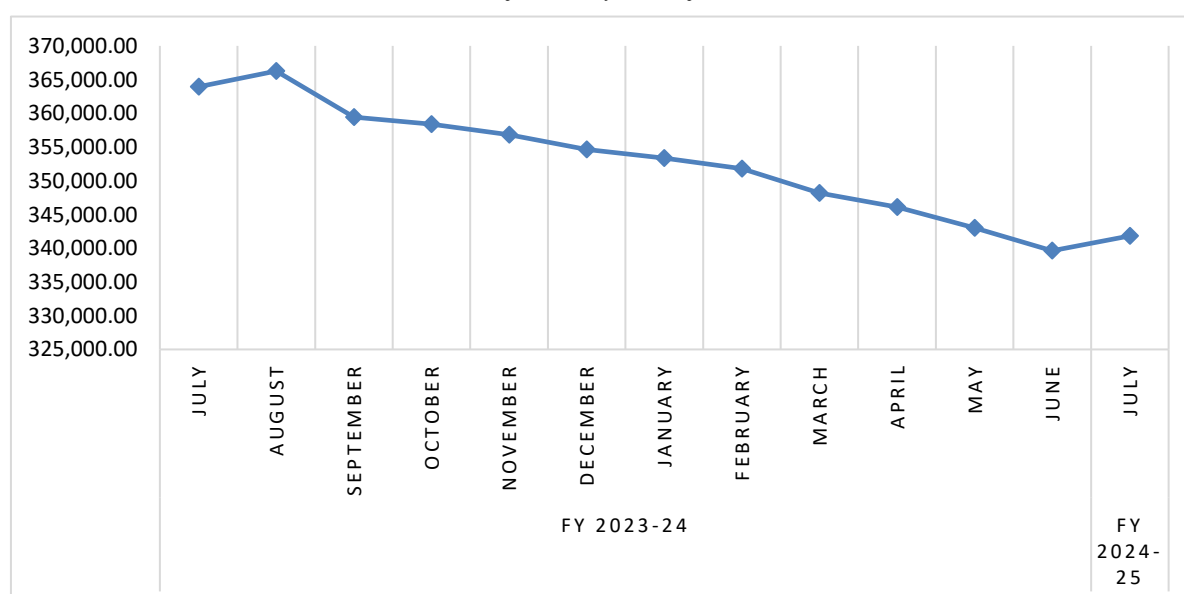
Period	External (Net)	Domestic			Total Financing	Financing as % of GDP
		Bank	Non-Bank	Total		
2024-25 (July-July)	-1,793.78	8,448.35	-3,801.18	4,647.17	2,853.39	0.06
2023-24 (July-July)	1,082.18	-3,298.46	-389.96	-3,688.42	-2,606.24	-0.06
2023-24	74,587.86	124,150.4	-2,690.21	121,460.19	196,048.06	4.42
2022-23	79,156.43	118,025.0	6,699.70	124,724.75	203,881.17	4.54
Target in 2024-25	90,700.00	137,500.0	23,400	-36,500	54,200	1.08
Financing composition		External (Net)	Domestic		Total Financing	
			Bank	Non-Bank		
2024-25 (July-July)		62.86%	296.08%	133.22%	162.86%	100.00%
2023-24 (July-July)		41.52%	126.56%	14.96%	141.52%	100.00%
2023-24		38.05%	63.33%	1.37%	61.95%	100.00%
2022-23		38.82%	57.89%	3.29%	61.18%	100.00%
Target in 2024-25		167.34%	253.69%	43.17%	-67.34%	100.00%

Source: Integrated Budgeting & Accounting System (iBAS++), Finance Division (Self Calculation for Financing composition)

1.4.1 National Savings Certificates (NSCs)

NSCs gross sales decreased by 37.52 percent in July FY25 compared to that of July FY24. The net sale of NSCs during July of FY25 increased by 729.37 percent compared to the same period of the previous year. The outstanding stock of NSCs stands at taka 341,818.28 crore at the end of July FY25 which is 5.16 percent lower compared to that of July FY24.

Chart 1.2: Trend of monthly stock of NSC (crore Taka)



Source: Major Economic Indicators, Bangladesh Bank, Growth calculated over the same period of the previous year

Table 1.5 Net Sale and Repayment of NSCs (Crore taka)

Period	Gross Sale	Repayment (Principal)	Net Sale	Outstanding at the end of the period
2024-25 (July-July)	4,911.57	2,724.01	2,187.56	341,818.28
2023-24 (July-July)	7,860.66	8,208.24	-347.58	360,407.51
Growth (%)	-37.52	-66.81	729.37	-5.16
2023-24 (Actual)	80,858.63	84,154.56	-3,295.93	339,630.72
2022-23 (Actual)	108,070.53	88,154.78	19,915.75	360,755.09
Growth (%)	-25.18	-4.54	-116.55	-5.86

Source: Bangladesh Bank; *-Growth calculated over the same month of the previous year.

2. MONETARY SECTOR

2.1 Monetary and Credit Development

Broad money (M2) increased by 8.58 percent at the end of July FY25 compared to that of July FY24. Of the sources of broad money, Net Domestic Asset (NDA) increased by 13.00 percent while Net Foreign Asset decreased by 10.75 percent. Despite strong public sector credit growth, government borrowing from the banking system contributed to the less than expected credit growth in the private sector. Broad money growth in July FY25 was 1.75 percent higher compared to that of June FY24.

Table 2.1: Monetary and Credit Development

Items	Outstanding stock			% Changes in	
	at the end of the period			Outstanding stock	
	Jul-24	Jul-23	Jun-24	July-24 over July-23	July-24 over June-24
A. Net Foreign Assets (NFA)	3,191.26	3,575.67	2,911.29	-10.75	9.62
B. Net Domestic Asset (NDA)	17,671.11	15,638.41	17,591.95	13.00	0.45
a. Domestic Credit	21,234.41	19,201.70	21,155.25	10.59	0.37
Public Sector	4,875.25	4,347.25	4,742.96	12.15	2.79
Govt. (Net)	4,375.88	3,896.87	4,248.77	12.29	2.99
Other Public	499.37	450.37	494.19	10.88	1.05
Private sector	16,359.16	14,854.45	16,412.29	10.13	-0.32
b. Other Items (Net)	-3,563.30	-3,563.30	-3,563.30	0.00	0.00
C. Broad Money (A+B)	20,862.37	19,214.07	20,503.24	8.58	1.75

Source: Monthly Economic Trends, Bangladesh Bank

2.2 Reserve Money Development

Reserve money increased by 6.47 percent at the end of July FY25 compared to that of July FY24. Money multiplier rose to 5.36 at the end of July 2025 from 4.96 at the end of June 2024, resulting in an increase of reserve deposit ratio.

Table 2.2: Reserve money and money multiplier (Billion BDT)

Items	Outstanding Stock at the end of the period			Changes in Outstanding Stock	
	Jul-24	Jul-23	Jun-24	July-24 over July-23	July-24 over June-24
Reserve money	3,893	3,657	4,136	6.47%	-5.88%
Money multiplier	5.36	5.25	4.96	0.10	0.40

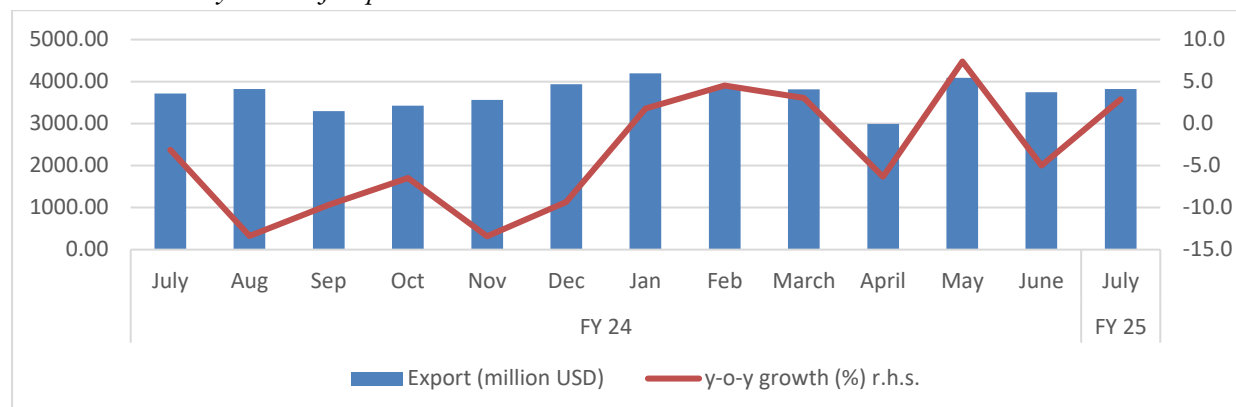
Source: Major Economic Indicators, Bangladesh Bank

3. EXTERNAL SECTOR

3.1 Exports

In July FY25, total export did not grow up to the strategic target. Export increased by merely 2.91 percent after July FY24 compared to the export after July FY24. This lower growth in export is due to the political instability during July 2024 in Bangladesh.

Chart 3.1: Monthly Trend of Exports



Source: Export Promotion Bureau, *Growth over the same period of the previous year

Table 3.1: Export Performance (Million US\$)

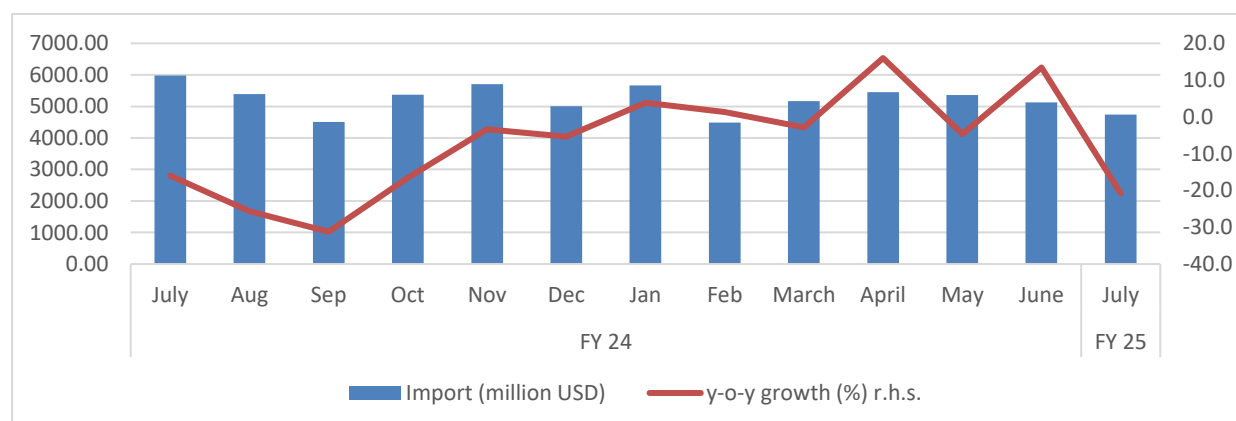
	2024-25	2023-24	2023-24	2022-23
	(July)	(July)		
Export	3,823.70	3,715.60	44,474.80	46,494.60
Growth*(%)	2.91	-10.73	-4.34	-10.73

Source: Export Promotion Bureau, *Growth over the same period of the previous year;

3.2 Imports (C & F)

Imports decreased by 20.79 percent on July FY25 compared to that of July FY24. Import showing down trend due to some tuff monitoring measures taken by Bangladesh Bank.

Chart 3.2: Monthly Trend of Import Payments



Source: Bangladesh Bank, *Growth over the same period of the previous year;

Table 3.2: Import Scenario (Million US\$)

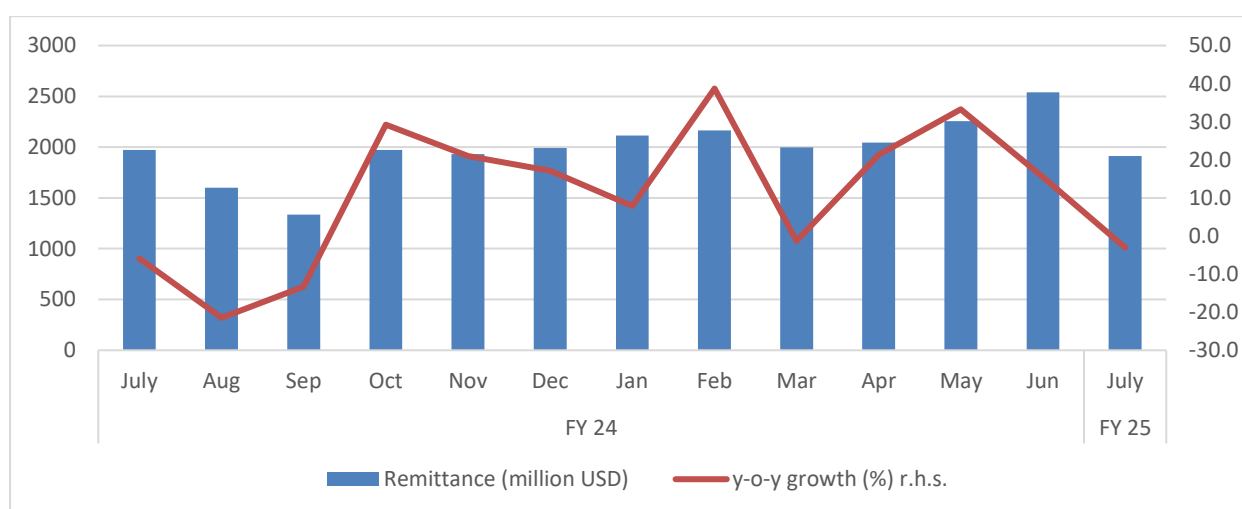
Period	2024-25	2023-24	2023-24	2022-23
	(July)	(July)		
Import payments	4,737.18	5,980.29	63,226.17	68,600.80
Growth (%)	-20.79%	-15.97	-7.83	-23.06

Source: Bangladesh Bank, *Growth over the same period of the previous year;

3.3 Remittances

Workers' remittances in July FY25 decreased by 3.02 percent to USD 1913.58 million against USD 1973.15 million in July FY24. The political instability during July 2024 in Bangladesh might have caused this decrease in the flow of remittances in July FY25 compared to that of July FY24.

Chart 3.3: Monthly Trend of Remittance



Source: Bangladesh Bank, *Growth over the same period of the previous year;

Table 3.3: Remittance Performance (Million US\$)

	2024-25	2023-24	2023-24	2022-23
	(July)	(July)		
Remittances	1,913.58	1,973.15	23,912.22	21,610.73
As % of Export	50.05	53.10	53.77	46.48
As % of GDP	5.09	5.13	4.65	4.08
Growth (%)	-3.02	-5.88	10.65	2.76

Source: Bangladesh Bank;

3.4 Balance of Payments (BOP)

The trade deficit gap narrowed in July of FY25 compared to the same period of the previous fiscal year as the import has been put under stern monitoring by the Bangladesh Bank. The current account deficit also has reduced to US\$ 193 million in July FY25 compared to a deficit of US\$ 295 million for the same period of the previous fiscal year. The financial account balance is positive and has a surplus of US\$ 166 million in July FY25 compared to a deficit of US\$ 897 million for the same period of the previous fiscal year. As a result the overall

deficit has reduced to US\$ 641 million at the end of July FY25 compared to a 1.07 billion US\$ deficit in the same time of the previous year.

Table 3.4: Balance of Payments (Million US\$)

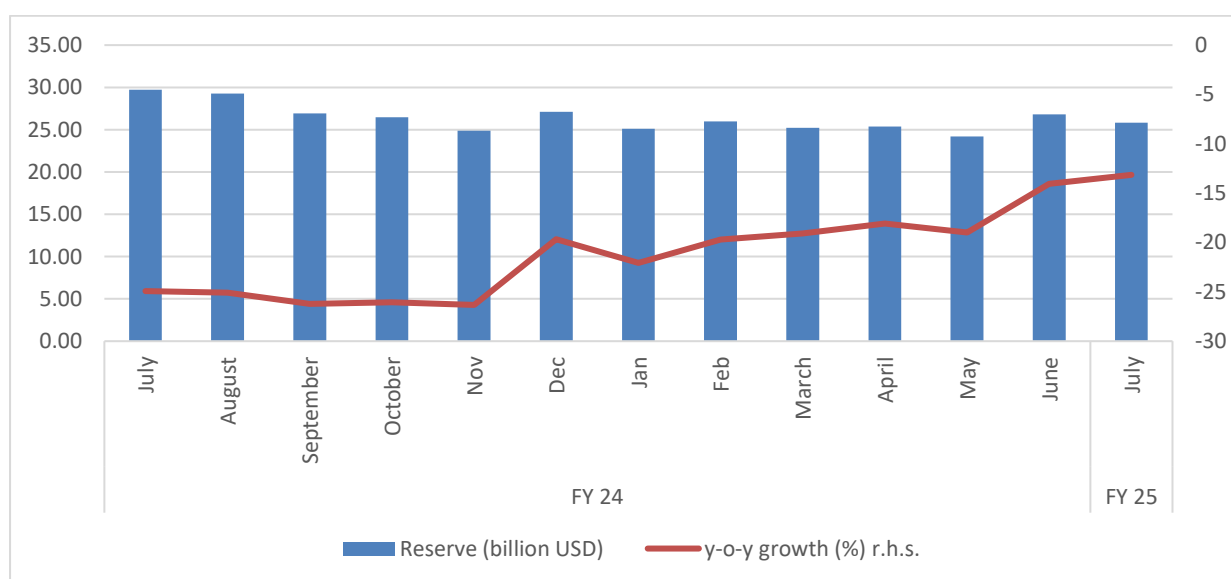
	2024-25	2023-24	2023-24	2022-23
	(July-July)	(July-July)		
Trade Bal.	-1,458	-1,604	-22,432	-27,384
Curr. A/C	-193	-295	-6,512	-11,633
Cap. A/C	66	1	554	475
Fin. A/C	166	-897	4,546	6,890
E & O	-680	125	-2,888	-3,954
Over. Bal.	-641	-1,066	-4,301	-8,222

Source: Bangladesh Bank;

3.5 External Reserve

Gross foreign exchange reserves stood at USD 25.82 billion in July FY25 which was sufficient to pay import liability of 4.8 months, considering the average of the previous 12 months' imports.

Chart 3.4: Foreign Exchange Reserve (End of the month)

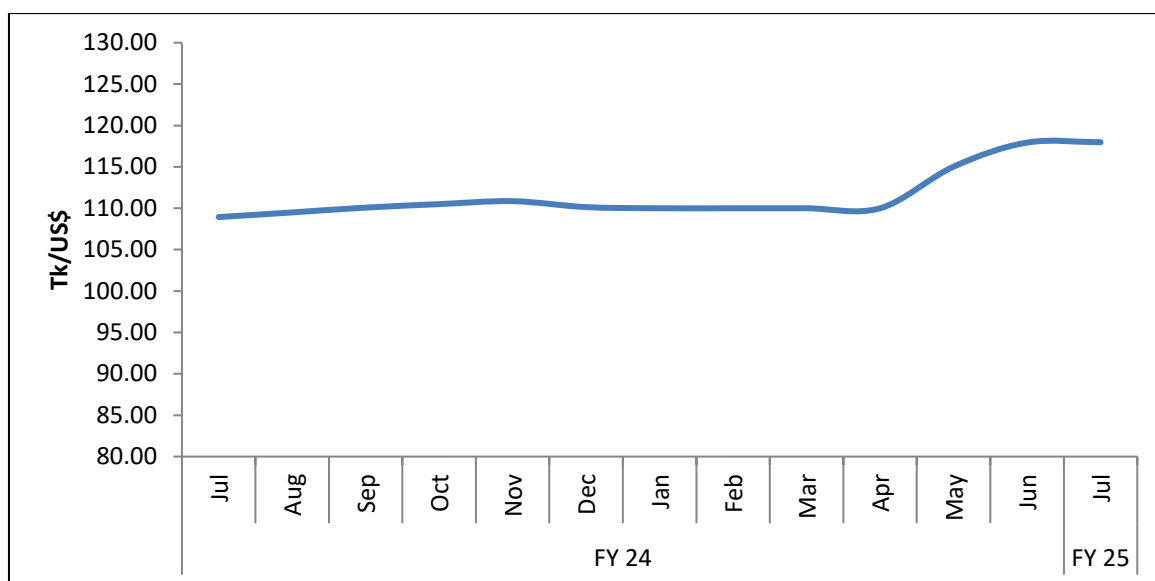


Source: Bangladesh Bank

3.6 Exchange Rate Movements

Exchange rate of Bangladesh Taka/ against USD, at the end of July 2025, depreciated by 0.03 percent over that of the end of June 2024. Starting from 01 July 2023 Bangladesh Bank has been using the market exchange rate for any transaction in the foreign exchange market.

Chart 3.5: Exchange Rate Movement (Taka/US\$)



Source: Bangladesh Bank;

4. REAL SECTOR

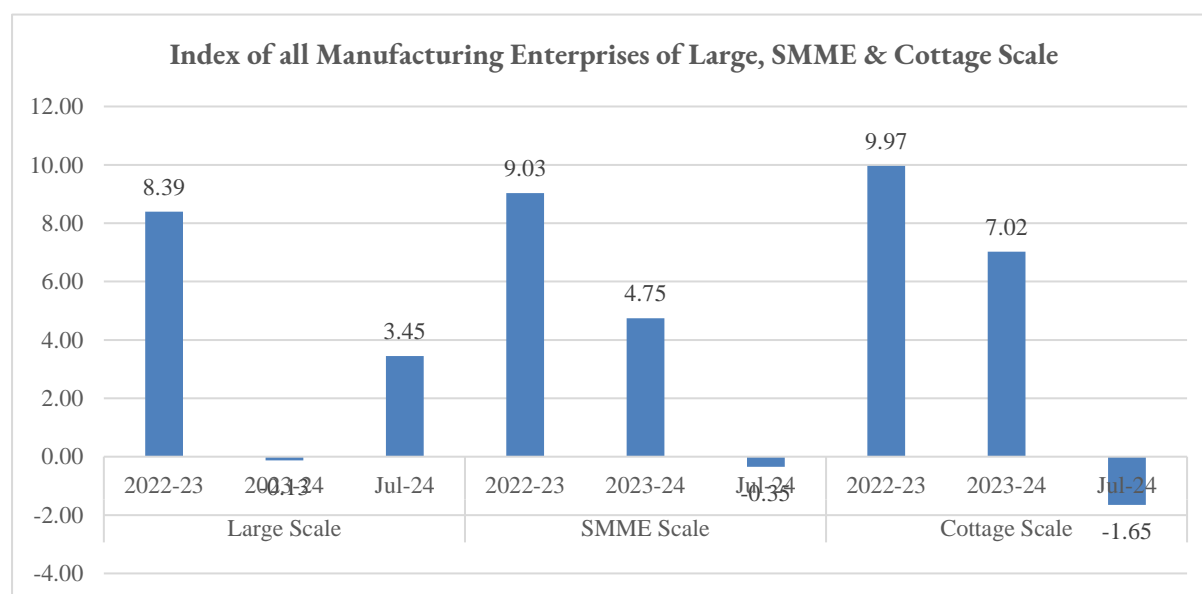
4.1 Industrial Production

The industrial production of Large Scale has increased by 3.45 percent, whereas, SMME Scale and Cottage Scale has shown a decrease of 0.35 percent and 1.65 percent respectively during July 2024 in comparison to that of July 2023.

Table 4.1: Industrial Production Statistics, July 2023 (Base: 2015-16=100)

	Monthly Index			2023-24	2022-23
	Jul-24	Jul-23	Change	Change	Change
Large Scale	203.34	196.56	3.45	-0.13	8.39
SMME Scale	198.25	198.94	-0.35	4.75	9.03
Cottage Scale	195.71	198.99	-1.65	7.02	9.97

Chart 4.1: Industrial Production Statistics, May 2023 (Base: 2015-16=100)



4.2 CPI Inflation

Point to point inflation increased to 11.66 percent in July FY25 from 9.72 percent of June FY24 where food inflation increased from 10.42 to 14.1 percent, non-food inflation increased to 9.68 percent from 9.15 percent. On twelve-month average basis inflation rose to 9.89 percent in July FY24 from 9.73 percent in June FY24, which is 3.73 percentage point higher than the target of 6.0 percent for FY25.

Table 4.3: CPI Inflation (National) (Base 2015-16)

Fiscal Year	Twelve-Month Average Basis			Point to Point Basis		
	General	Food	Non-Food	General	Food	Non-Food
2022-23						
Jul-22	6.33	6.31	6.35	7.48	8.19	6.39
Aug-22	6.66	6.71	6.58	9.52	9.94	8.85
Sep-22	6.96	7.04	6.84	9.1	9.08	9.13
Oct-22	7.23	7.32	7.1	8.91	8.5	9.58
Nov-22	7.48	7.55	7.37	8.85	8.14	9.98
Dec-22	7.7	7.75	7.62	8.71	7.91	9.96
Jan-23	7.92	7.92	7.92	8.57	7.76	9.84
Feb-23	8.14	8.08	8.23	8.78	8.13	9.82
Mar-23	8.39	8.31	8.53	9.33	9.09	9.72
Apr-23	8.64	8.52	8.81	9.24	8.84	9.72
May-23	8.8	8.6	9.1	9.94	9.2	10.0
Jun-23	9.0	8.7	9.4	9.74	9.7	9.6
2023-24						
Jul-23	9.2	8.84	9.64	9.69	9.76	9.47
Aug-23	9.24	9.08	9.55	9.92	12.54	7.95
Sep-23	9.29	9.37	9.44	9.63	12.37	7.82
Oct-23	9.37	9.73	9.33	9.93	12.56	8.3
Nov-23	9.42	9.95	9.17	9.49	10.76	8.16
Dec-23	9.48	10.08	9.05	9.41	9.58	8.52
Jan-24	9.59	10.22	9.02	9.86	9.56	9.42
Feb-24	9.66	10.32	8.98	9.67	9.44	9.33
Mar-24	9.69	10.37	8.98	9.81	9.87	9.64
Apr-24	9.73	10.48	8.95	9.74	10.22	9.34
May-24	9.73	10.60	8.90	9.89	10.76	9.20
Jun-24	9.73	10.65	8.86	9.72	10.42	9.15
2024-25						
Jul-24	9.89	11.02	8.88	11.66	14.1	9.68

Source: Bangladesh Bank

4.3 GDP Growth Outlook

The latest publication of the Bangladesh Bureau of Statistics (BBS) (with the new base 2015-16) shows that GDP grew by 4.22 percent in FY24 (provisional). With this growth, per capita GNI rose to US\$ 2,744 at the end of FY24. According to the Medium-Term Macroeconomic Policy Statement (FY25 to FY27), the growth target for FY25 is 5.00 percent.