

## CHAPTER TWO

### GDP, SAVINGS AND INVESTMENT

*The Bangladesh economy has been showing sustainable recovery from the impact of the global coronavirus pandemic. The GDP growth experienced a sharp fall at 3.45 percent in FY 2019-20 from 7.88 percent growth of pre-pandemic year. However, GDP growth rebounded and stood at 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. But due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of BBS, the GDP growth is expected to be 6.03 percent in FY 2022-23. During the period, the per capita GDP and GNI stood at US\$ 2,657 and US\$ 2,765 respectively. The per capita GDP and GNI of the previous fiscal year were US\$ 2,687 and US\$ 2,793 respectively. The growth of agriculture sector was 3.17 percent in FY 2020-21, which stood at 3.05 percent in FY 2021-22. According to the provisional estimate, the growth of the agriculture sector will stand at 2.61 percent in FY 2022-23. In FY 2020-21, the growth of the industry sector was 10.29 percent, which declined to 9.86 percent in FY 2021-22. The growth of the industry sector is estimated at 8.18 percent in current fiscal year. According to the provisional data, in FY 2022-23, growth in broad service sector has been decreased to 5.84 percent as compared to 6.26 percent in the FY 2021-22. The sectoral share of broad agriculture, industry and service stood at 11.20 percent, 37.56 percent and 51.24 percent respectively in FY 2022-23; which were 11.61 percent, 36.92 percent and 51.48 percent respectively in previous fiscal year. In demand side, the consumption expenditure stood at 73.98 percent in FY 2022-23, with significant contribution of private sector. Gross domestic savings increased to 26.02 percent of GDP in FY 2022-23, from 25.22 percent a year earlier. Similarly gross national savings as percent of GDP increased to 30.22 percent in FY 2022-23 from 29.35 percent in FY 2021-22. On the other hand, investment-GDP ratio slightly decreased to 31.25 percent in FY 2022-23 from 32.05 percent in previous fiscal year.*

#### Economic Growth

The Bangladesh economy has been able to recover from the adverse effects of coronavirus pandemic. Before pandemic, the GDP growth was 7.88 percent in FY 2018-19 which fall to 3.45 percent in FY 2019-20. GDP growth has been rebounded and stood at 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. But, due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of BBS, the GDP growth is expected to be 6.03 percent in FY 2022-23.

#### Gross Domestic Product (GDP) at Current Prices

According to the provisional data of BBS, GDP at current market prices is Tk. 44,39,273 crore

(US\$ 454 Billion) in FY 2022-23, up by 11.77 percent of the previous fiscal year.

The per capita GDP increased to Tk. 2,59,919 in FY 2022-23 which was Tk. 2,31,861 in previous fiscal year. On the other hand, per capita national income in FY 2022-23 stood at Tk. 2,70,414 up from Tk. 2,41,047 in the previous fiscal year. In US dollar, per capita GDP and GNI stood at US\$ 2,657 and US\$ 2,765 respectively in FY 2022-23 compared to US\$ 2,687 and US\$ 2,793 respectively in FY 2021-22. Table 2.1 shows GDP, GNI, per capita GDP and national income during the period from FY2015-16 to FY 2022-23.

**Table 2.1: GDP, GNI, Per Capita GDP and GNI at Current Market Prices**

Item	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>GDP (In Crore Tk.)</b>	2075821	2324307	2639248	2951429	3170469	3530185	3971716	4439273
<b>GNI (In Crore Tk.)</b>	2173075	2404557	2744791	3072323	3301701	3715997	4129062	4618529
<b>Population (In crore)</b>	15.99	16.18	16.37	16.56	16.74	16.91	17.13	17.07
<b>Per Capita GDP (In Tk.)</b>	129828	143698	161274	178280	189361	208751	231861	259919
<b>Per Capita GNI (In Tk.)</b>	135911	148659	167723	185583	197199	219738	241047	270414
<b>Per Capita GDP (In US\$)</b>	1659	1816	1964	2122	2234	2462	2687	2657
<b>Per Capita GNI (In US\$)</b>	1737	1879	2043	2209	2326	2591	2793	2765

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional)

### Method of GDP Estimation

Bangladesh Bureau of Statistics (BBS) is the organisation responsible for estimating GDP in Bangladesh. Following the internationally agreed System of National Accounts (SNA) framework, various countries estimate GDP. Three methods/approaches are used to calculate GDP: (i) production approach, (ii) income approach and (iii) expenditure approach. However, Bangladesh prepares GDP based on production and expenditure approach.

Production based estimate of GDP encompasses 3 broad sectors which are agriculture, industry and service. Moreover, overall GDP was consist of 15 sectors in 2005-06 base year. Among these 15 sectors. the broad agriculture sector consists of two sectors namely, (i) agriculture and forestry and (ii) fishing. Similarly, the broad industry sector comprises (i) mining and quarrying, (ii)

manufacturing, (iii) electricity, gas and water supply and (iv) construction sector. The broad service sector includes the collective outputs of the, (i) wholesale and retail trade; repair of motor vehicles, motor cycles and personal and household goods, (ii) hotels and restaurants, (iii) transport, storage and communication, (iv) financial intermediations, (v) real estate, renting and business activities, (vi) public administration and defense, (vii) education, (viii) health and social work and (ix) community, social and personal services.

In 2015-16 base year BBS restructured some of the existing sectors and includes new sectors for estimating the value addition of the new base year (2015-16) GDP. Currently, the total number of sector in GDP is 19. The value addition of GDP by sectors at current market prices has shown in Table 2.2.

**Table 2.2: Gross Domestic Product (GDP) at Current Market Prices**

(In Crore Taka)

Industrial origin sector	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>A. Agriculture</b>	<b>279505</b>	<b>301167</b>	<b>329380</b>	<b>353443</b>	<b>380446</b>	<b>410661</b>	<b>445531</b>	<b>486315</b>
<b>1. Agriculture, forestry and fishing</b>	<b>279505</b>	<b>301167</b>	<b>329380</b>	<b>353443</b>	<b>380446</b>	<b>410661</b>	<b>445531</b>	<b>486315</b>
a) Crops & horticulture	138280	148669	162333	173378	186116	199631	215365	236869
b) Animal Farmings	46655	49516	53186	56290	59715	63293	67399	73571
c) Forest and related services	37188	39864	43563	46639	50399	55916	63748	68204
d) Fishing	57382	63118	70298	77136	84216	91822	99020	107672
<b>B. Industry</b>	<b>644940</b>	<b>726306</b>	<b>844106</b>	<b>969620</b>	<b>1043451</b>	<b>1176120</b>	<b>1347209</b>	<b>1519488</b>
<b>2. Mining and quarrying</b>	<b>33053</b>	<b>39984</b>	<b>44276</b>	<b>52610</b>	<b>55224</b>	<b>59102</b>	<b>58916</b>	<b>62943</b>
a) Natural gas and crude petroleum	11478	11807	11969	12054	11621	11743	11494	11705
b) Other mining & coal	21575	28177	32307	40556	43603	47359	47423	51238
<b>3. Manufacturing</b>	<b>422387</b>	<b>466606</b>	<b>549024</b>	<b>625937</b>	<b>653064</b>	<b>749659</b>	<b>864437</b>	<b>983113</b>
a) Large Industry	221152	237826	275676	311858	318033	357357	422896	471697
b) Small, Medium and Micro Industry	129108	146724	173858	198066	208696	248999	273587	317583
c) Cottage Industry	72127	82056	99490	116014	126335	143302	167954	193833
<b>4. Electricity, gas, steam and air conditioning supply</b>	<b>24555</b>	<b>29233</b>	<b>32625</b>	<b>38144</b>	<b>44523</b>	<b>44902</b>	<b>50414</b>	<b>56534</b>
a) Electricity	18310	22014	24604	30239	36926	37096	42062	47581
b) Gas	6244	7219	8022	7905	7596	7806	8351	8954
<b>5. Water supply; sewerage, waste management and remediation activities</b>	<b>2103</b>	<b>2263</b>	<b>2488</b>	<b>2674</b>	<b>2761</b>	<b>2968</b>	<b>3809</b>	<b>4349</b>
<b>6. Construction</b>	<b>162843</b>	<b>188219</b>	<b>215693</b>	<b>250255</b>	<b>287880</b>	<b>319490</b>	<b>369633</b>	<b>412548</b>
<b>C. Services</b>	<b>1062983</b>	<b>1194320</b>	<b>1343117</b>	<b>1500780</b>	<b>1633150</b>	<b>1811038</b>	<b>2027088</b>	<b>2268535</b>
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	<b>288510</b>	<b>324632</b>	<b>373716</b>	<b>418395</b>	<b>445757</b>	<b>497652</b>	<b>567097</b>	<b>640467</b>
<b>8. Transportation and storage</b>	<b>158030</b>	<b>178722</b>	<b>197806</b>	<b>219711</b>	<b>232252</b>	<b>256215</b>	<b>285272</b>	<b>314132</b>
a) Land Transport	136942	155313	172635	192706	203898	226881	253429	279553
b) Water transport	12941	14328	15088	15864	16571	17475	18419	19400
c) Air transport	1667	1899	2095	2250	2304	2279	2422	2606
d) Warehousing and support activities	5539	6165	6877	7667	8156	8141	9445	10804
e) Postal and courier activities	941	1016	1112	1224	1323	1439	1557	1769
<b>9. Accommodation and food service activities</b>	<b>23886</b>	<b>26670</b>	<b>30106</b>	<b>33549</b>	<b>36015</b>	<b>39857</b>	<b>44452</b>	<b>51053</b>
<b>10. Information and communication</b>	<b>24834</b>	<b>27264</b>	<b>29461</b>	<b>32204</b>	<b>35107</b>	<b>38448</b>	<b>41422</b>	<b>46934</b>
<b>11. Financial and insurance activities</b>	<b>65072</b>	<b>72247</b>	<b>81723</b>	<b>93297</b>	<b>103217</b>	<b>115271</b>	<b>129539</b>	<b>146161</b>
a) Monetary intermediation (Banks)	54996	61018	69326	79417	88044	98457	110878	125290
b) Insurance	6343	6826	7439	8202	8851	9643	10556	11696
c) Other financial auxiliaries	3733	4403	4958	5678	6322	7171	8105	9175
<b>12. Real estate activities</b>	<b>192509</b>	<b>214151</b>	<b>235990</b>	<b>260715</b>	<b>288001</b>	<b>313029</b>	<b>340182</b>	<b>366100</b>
<b>13. Professional, scientific and technical activities</b>	<b>3906</b>	<b>4282</b>	<b>4714</b>	<b>5179</b>	<b>5656</b>	<b>6273</b>	<b>6942</b>	<b>7824</b>
<b>14. Administrative and support service activities</b>	<b>14244</b>	<b>15722</b>	<b>17269</b>	<b>20017</b>	<b>23005</b>	<b>27138</b>	<b>31136</b>	<b>37868</b>
<b>15. Public administration and defence, compulsory social security</b>	<b>66730</b>	<b>78463</b>	<b>90249</b>	<b>99006</b>	<b>106965</b>	<b>116996</b>	<b>127366</b>	<b>143717</b>
<b>16. Education</b>	<b>54479</b>	<b>60858</b>	<b>68164</b>	<b>76961</b>	<b>85642</b>	<b>95642</b>	<b>109514</b>	<b>126553</b>
<b>17. Human health and social work activities</b>	<b>54600</b>	<b>63515</b>	<b>73365</b>	<b>86811</b>	<b>101522</b>	<b>118500</b>	<b>138207</b>	<b>159768</b>
<b>18. Arts, entertainment and recreation</b>	<b>3007</b>	<b>3365</b>	<b>3772</b>	<b>4244</b>	<b>4761</b>	<b>5341</b>	<b>6074</b>	<b>6899</b>
<b>19. Other service activities</b>	<b>113177</b>	<b>124429</b>	<b>136783</b>	<b>150691</b>	<b>165250</b>	<b>180677</b>	<b>199886</b>	<b>221062</b>
<b>Total GVA at current basic price</b>	<b>1987428</b>	<b>2221793</b>	<b>2516603</b>	<b>2823843</b>	<b>3057048</b>	<b>3397820</b>	<b>3819829</b>	<b>4274337</b>
<b>Growth rate</b>	-	<b>11.79</b>	<b>13.27</b>	<b>12.21</b>	<b>8.26</b>	<b>11.15</b>	<b>12.42</b>	<b>11.90</b>
Tax less subsidy	88394	102514	122645	127586	113422	132366	151888	164936
<b>GDP at current market price</b>	<b>2075821</b>	<b>2324307</b>	<b>2639248</b>	<b>2951429</b>	<b>3170469</b>	<b>3530185</b>	<b>3971716</b>	<b>4439273</b>
<b>Growth rate</b>	-	<b>11.97</b>	<b>13.55</b>	<b>11.83</b>	<b>7.42</b>	<b>11.35</b>	<b>12.51</b>	<b>11.77</b>

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional).

**Growth of GDP by Sectors**

The growth rates of GDP by sectors at base price or constant prices have been shown in Table 2.3

and the broad sectoral growth of GDP has been shown in Figure 2.1.

**Table 2.3: Sectoral Growth Rate of GDP at Constant Prices**

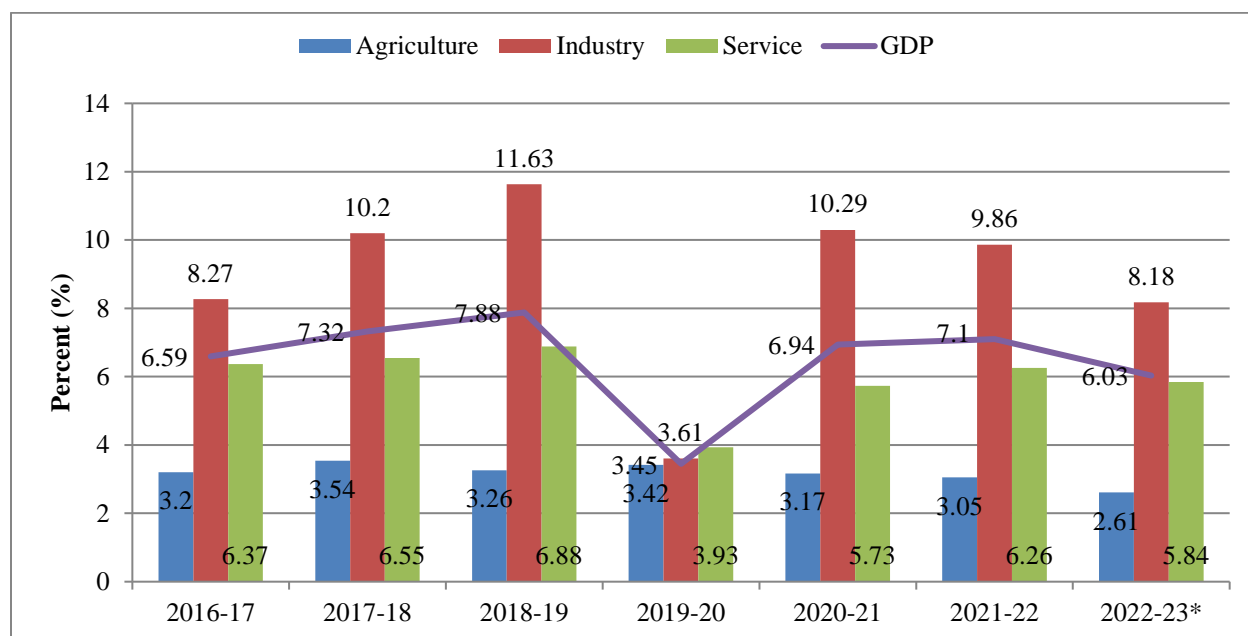
(Base Year: 2015-16)

(In Percentage)

Industrial origin sector	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>A. Agriculture</b>	<b>3.20</b>	<b>3.54</b>	<b>3.26</b>	<b>3.42</b>	<b>3.17</b>	<b>3.05</b>	<b>2.61</b>
<b>1. Agriculture, forestry and fishing</b>	3.20	3.54	3.26	3.42	3.17	3.05	2.61
a) Crops & horticulture	2.22	2.75	2.07	2.5	2.29	2.61	2.26
b) Animal Farmings	2.77	2.90	3.01	3.19	2.94	3.10	3.23
c) Forest and related services	5.00	5.08	5.13	5.34	4.98	5.08	5.16
d) Fishing	4.73	4.93	4.99	4.4	4.11	2.64	1.14
<b>B. Industry</b>	<b>8.27</b>	<b>10.2</b>	<b>11.63</b>	<b>3.61</b>	<b>10.29</b>	<b>9.86</b>	<b>8.18</b>
<b>2. Mining and quarrying</b>	17.29	9.55	11.31	3.16	6.49	-1.12	5.74
a) Natural gas and crude petroleum	-0.34	0.04	-0.57	-4.47	0.32	-4.67	-1.17
b) Other mining & coal	26.67	13.53	15.69	5.58	8.26	-0.17	7.50
<b>3. Manufacturing</b>	7.09	10.45	12.33	1.68	11.59	11.41	9.23
a) Large Industry	4.63	11.08	12.79	0.41	10.61	15.68	8.46
b) Small, Medium and Micro Industry	10.06	11.10	10.61	2.69	13.89	4.84	9.73
c) Cottage Industry	9.29	7.45	14.17	3.67	10.27	11.12	10.69
<b>4. Electricity, gas, steam and air conditioning supply</b>	7.07	8.27	8.24	0.67	9.54	6.15	4.54
a) Electricity	8.78	10.09	10.22	1.87	11.65	7.75	5.63
b) Gas	2.06	2.60	1.62	-3.68	1.45	-0.61	-0.46
<b>5. Water supply; sewerage, waste management and remediation activities</b>	3.63	2.96	6.31	2.18	6.65	9.54	10.02
<b>6. Construction</b>	9.76	10.06	10.47	9.13	8.08	8.71	6.41
<b>C. Services</b>	<b>6.37</b>	<b>6.55</b>	<b>6.88</b>	<b>3.93</b>	<b>5.73</b>	<b>6.26</b>	<b>5.84</b>
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	8.22	8.74	8.85	3.21	7.64	8.46	6.65
<b>8. Transportation and storage</b>	6.13	6.74	7.01	1.73	4.04	5.75	5.99
a) Land Transport	6.53	7.08	7.42	1.74	4.68	6.08	6.46
b) Water transport	1.07	1.55	1.45	0.75	1.80	1.22	-1.78
c) Air transport	12.61	9.78	7.08	1.29	-2.00	3.84	5.12
d) Warehousing and support activities	6.35	9.10	8.76	3.42	-4.99	7.43	9.08
e) Postal and courier activities	3.23	5.44	4.48	2.07	3.34	1.76	4.08
<b>9. Accommodation and food service activities</b>	5.39	5.52	5.64	1.69	4.53	5.37	5.89
<b>10. Information and communication</b>	8.35	6.77	7.36	6.57	7.11	4.79	5.42
<b>11. Financial and insurance activities</b>	5.30	6.94	8.25	4.72	5.82	5.87	5.76
a) Monetary intermediation (Banks)	5.23	7.41	8.62	4.94	5.96	6.09	5.92
b) Insurance	2.07	3.04	4.54	2.16	3.22	3.14	3.86
c) Other financial auxiliaries	11.86	6.46	8.59	5.38	7.48	6.48	6.11
<b>12. Real estate activities</b>	3.33	3.48	3.61	3.68	3.42	3.70	3.87
<b>13. Professional, scientific and technical activities</b>	3.97	4.08	4.17	3.38	5.09	4.25	4.37
<b>14. Administrative and support service activities</b>	6.40	7.74	8.17	6.33	6.02	6.01	6.13
<b>15. Public administration and defence; compulsory social security</b>	11.23	8.67	6.49	5.49	6.05	4.91	6.95
<b>16. Education</b>	5.95	5.89	7.06	5.33	5.81	7.87	6.88
<b>17. Human health and social work activities</b>	10.33	9.20	12.2	10.7	10.6	9.88	8.36
<b>18. Arts, entertainment and recreation</b>	4.98	5.24	5.48	5.43	5.76	6.07	6.36
<b>19. Other service activities</b>	3.14	3.22	3.27	3.06	3.08	3.19	3.27
<b>Total GVA at current basic price</b>	<b>6.54</b>	<b>7.34</b>	<b>8.01</b>	<b>3.76</b>	<b>7.00</b>	<b>7.17</b>	<b>6.33</b>
Tax less subsidy	7.64	6.75	4.94	-3.65	5.33	5.43	-1.75
<b>GDP at constant market price</b>	<b>6.59</b>	<b>7.32</b>	<b>7.88</b>	<b>3.45</b>	<b>6.94</b>	<b>7.10</b>	<b>6.03</b>

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional).

**Figure 2.1: Broad Sectoral GDP Growth at Constant Prices**



(\*Provisional.)

### Agriculture Sector

According to the provisional estimate of BBS, the growth of agriculture sector stood at 2.61 percent in FY 2022-23, which was 3.05 percent in previous fiscal year. During this period among the 4 sub-sectors of broad agriculture sector the growth rate of crops and horticulture and fishing has decreased while the growth rate of animal farming and forest and related services has increased compared to previous fiscal year.

The food-grain production target (rice, wheat and maize) in FY 2022-23 has been set at 484.98 lakh metric tonnes (MT), which was 458.96 lakh MT in previous fiscal year. Rice production target in FY 2022-23 is 415.69 (*Aus* 36.90, *Aman* 163.45 and *Boro* 215.34) lakh MT. Besides, wheat production and maize production target in FY 2022-23 has been set at 11.60 lakh MT and 57.68 lakh MT. According to the estimate of the Department of Fisheries (DoF), the total fish production in FY 2022-23 is expected to be 47.81 lakh MT (inland fish production 40.75 lakh MT and marine fish production 7.06 lakh MT), which was 47.59 lakh MT (inland fish production 40.53

lakh MT and marine fish production 7.06 lakh MT) in previous fiscal year.

### Industry Sector

Due to the coronavirus pandemic, industrial production declined sharply in FY 2019-20. During the period, growth in the industrial sector slowed to 3.61 percent from 11.63 percent in the previous fiscal year. However, in FY 2020-21, the industrial sector has turned around and the growth of this sector has stood at 10.29 percent. But due to the Russia-Ukraine crisis, the growth of the industrial sector again declined to 9.86 percent in FY 2021-22. As per provisional estimate, the growth in the industrial sector will stand at 8.18 percent in FY 2022-23.

In FY 2021-22, the growth in the mining and quarrying sector of broad industry sector contracted by 1.12 percent from 6.49 percent compared to the previous fiscal year. Growth in this sector is provisionally estimated to be 5.74 percent in the current fiscal year. Growth in the manufacturing sector has decreased from 11.59 percent in FY 2020-21 to 11.41 percent in FY

2021-22. According to provisional estimate, the growth of this sector has declined to 9.23 percent in FY 2022-23. Among them, growth in large scale industries will be 8.46 percent, growth in small, medium and micro scale industries will be 9.73 percent and growth in cottage industries will be 10.69 percent.

According to the ‘Index of Industrial Production of Manufacturing on Large Scale’ (Base Year: 2015-16), the average general index of industrial production (large scale manufacturing ) increased by 0.25 percent to 189.26 point during July-October of FY 2022-23 over that of FY 2021-22. During the period, the growth in the indices for garments, textile and leather and leather product are (-)1.28 percent, 8.00 percent and 59.16 percent respectively. In addition, according to the ‘Index of Industrial Production of Manufacturing on SMMe Scale’ (Base Year: 2015-16), the average general index of industrial production (Small, Medium and Micro manufacturing) increased by 8.27 percent to 196.90 point during July-October of FY 2022-23 over that of FY 2021-22. During the period, the growth in the indices for garments, textile and leather and leather product are 22.70 percent, (-) 1.73 percent and 11.24 percent respectively.

Among the sectors of broad industry sector, the growth rate of ‘electricity, gas steam and air conditioner’ will be 4.54 percent in the current fiscal year, but the growth of this sector was 6.15 percent in the previous fiscal year. On the other hand, the growth rate of the construction sector in FY 2021-22 increased to 8.71 percent from 8.08 percent in FY 2020-21. It is estimated that the growth of this sector will be decreased and it will be 6.41 percent in the current fiscal year.

### **Service Sector**

The number of sectors in the broad service sector has increased from 9 sectors in the 2005-06 base

year GDP to 13 sectors in the 2015-16 base year GDP. According to the provisional data, in FY 2022-23 growth rate in broad service sector is decreased by 0.42 percentage point to 5.84 percent as compared to 6.26 percent in the previous fiscal year. Among the sectors the growth of wholesale and retail trade is 6.65 percent, transportation and storage 5.99 percent, accommodation and food service activities 5.89 percent, information and communication 5.42 percent, financial and insurance activities 5.76 percent, education 6.88 percent and human health and social work activities 8.36 percent.

### **Sectoral Shares in GDP at Constant Prices**

According to provisional data, the share of the agriculture sector in GDP at constant prices stood at 11.20 percent in FY 2022-23, from 11.61 percent in FY 2021-22. During FY 2022-23, within the broad industry sector, contribution of ‘manufacturing’ sector and ‘construction’ sector increased to 24.95 percent and 9.55 percent respectively, which was 24.29 percent and 9.54 percent in the previous fiscal year. The share of broad industry sector reached 37.56 percent in FY 2022-23 from 36.92 percent in FY 2021-22. In FY 2022-23, the share of broad service sector in GDP stood at 51.24 percent, from 51.48 percent in previous year. Within the broad service sector, the contribution of wholesale and retail trade sector (15.29%) was the highest. Also real estate activities (7.93%) was the second highest and transport and storage was (7.32%) the third highest contributors of GDP. Next positions are public administration and defence (3.47%), human health and social work activities (3.46%) and financial and insurance activities (3.17%). Table 2.4 shows the sectoral share of GDP at constant prices during FY 2015-16 to FY 2022-23.

**Table 2.4: Sectoral Share of GDP at Constant Prices**

(Base Year: 2015-16)

(In percentage)

Industrial origin sector	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>A. Agriculture</b>	<b>14.06</b>	<b>13.62</b>	<b>13.14</b>	<b>12.56</b>	<b>12.52</b>	<b>12.07</b>	<b>11.61</b>	<b>11.20</b>
<b>1. Agriculture, forestry and fishing</b>	14.06	13.62	13.14	12.56	12.52	12.07	11.61	11.20
a) Crops & horticulture	6.96	6.68	6.39	6.04	5.96	5.70	5.46	5.25
b) Animal Farmings	2.35	2.26	2.17	2.07	2.06	1.98	1.91	1.85
c) Forest and related services	1.87	1.84	1.81	1.76	1.78	1.75	1.72	1.70
d) Fishing	2.89	2.84	2.77	2.70	2.71	2.64	2.53	2.41
<b>B. Industry</b>	<b>32.45</b>	<b>32.98</b>	<b>33.85</b>	<b>34.99</b>	<b>34.94</b>	<b>36.01</b>	<b>36.92</b>	<b>37.65</b>
<b>2. Mining and quarrying</b>	1.66	1.83	1.87	1.93	1.91	1.91	1.76	1.75
a) Natural gas and crude petroleum	0.58	0.54	0.50	0.46	0.43	0.40	0.36	0.33
b) Other mining & coal	1.09	1.29	1.36	1.46	1.49	1.51	1.40	1.42
<b>3. Manufacturing</b>	21.25	21.36	21.98	22.86	22.40	23.36	24.29	24.95
a) Large Industry	11.13	10.93	11.31	11.81	11.43	11.81	12.75	13.01
b) Small, Medium and Micro Industry	6.50	6.71	6.95	7.11	7.04	7.49	7.33	7.57
c) Cottage Industry	3.63	3.72	3.73	3.94	3.94	4.06	4.21	4.38
<b>4. Electricity, gas, steam and air conditioning supply</b>	1.24	1.24	1.25	1.26	1.22	1.25	1.23	1.21
a) Electricity	0.92	0.94	0.96	0.98	0.97	1.01	1.01	1.01
b) Gas	0.31	0.30	0.29	0.27	0.25	0.24	0.22	0.21
<b>5. Water supply; sewerage, waste management and remediation activities</b>	0.11	0.10	0.10	0.10	0.10	0.10	0.10	0.10
<b>6. Construction</b>	8.19	8.44	8.65	8.85	9.31	9.40	9.54	9.55
<b>C. Services</b>	<b>53.49</b>	<b>53.40</b>	<b>53.01</b>	<b>52.45</b>	<b>52.54</b>	<b>51.92</b>	<b>51.48</b>	<b>51.24</b>
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	14.52	14.52	14.75	14.94	15.05	15.06	15.24	15.29
<b>8. Transportation and storage</b>	7.95	7.92	7.88	7.80	7.65	7.44	7.34	7.32
a) Land Transport	6.89	6.89	6.87	6.84	6.70	6.56	6.49	6.50
b) Water transport	0.65	0.62	0.58	0.55	0.53	0.51	0.48	0.44
c) Air transport	0.08	0.09	0.09	0.09	0.09	0.08	0.08	0.08
d) Warehousing and support activities	0.28	0.28	0.28	0.28	0.28	0.25	0.25	0.26
e) Postal and courier activities	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.04
<b>9. Accommodation and food service activities</b>	1.20	1.19	1.17	1.14	1.12	1.09	1.08	1.07
<b>10. Information and communication</b>	1.25	1.27	1.26	1.26	1.29	1.29	1.26	1.25
<b>11. Financial and insurance activities</b>	3.27	3.24	3.22	3.23	3.26	3.22	3.19	3.17
a) Monetary intermediation (Banks)	2.77	2.73	2.73	2.75	2.78	2.75	2.73	2.72
b) Insurance	0.32	0.31	0.29	0.28	0.28	0.27	0.26	0.25
c) Other financial auxiliaries	0.19	0.20	0.20	0.20	0.20	0.20	0.20	0.20
<b>12. Real estate activities</b>	9.69	9.39	9.06	8.69	8.68	8.39	8.12	7.93
<b>13. Professional, scientific and technical activities</b>	0.20	0.19	0.19	0.18	0.18	0.18	0.17	0.17
<b>14. Administrative and support service activities</b>	0.72	0.72	0.72	0.72	0.74	0.73	0.72	0.72
<b>15. Public administration and defence; compulsory social security</b>	0.36	3.51	3.55	3.50	3.56	3.52	3.45	3.47
<b>16. Education</b>	2.74	2.73	2.69	2.67	2.71	2.68	2.69	2.71
<b>17. Human health and social work activities</b>	2.75	2.84	2.89	3.01	3.21	3.32	3.40	3.46
<b>18. Arts, entertainment and recreation</b>	0.15	0.15	0.15	0.14	0.15	0.14	0.14	0.14
<b>19. Other service activities</b>	5.69	5.51	5.30	5.07	5.03	4.85	4.67	4.54
<b>Total GVA at constant basic price</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional).

The structural changes of contribution of broad sectors in GDP are shown in the Table 2.5 and Figure 2.2. Table 2.5 indicates that the structural

change of agriculture sector to industry sector in GDP continues in FY 2022-23. Figure 2.2 shows that contribution of service sector was nearly 50

percent of GDP before FY 2005-06. Contribution of this sector rose at 55.59 percent in FY 2005-

06. In recent time this contribution is near about 51 to 53 percent.

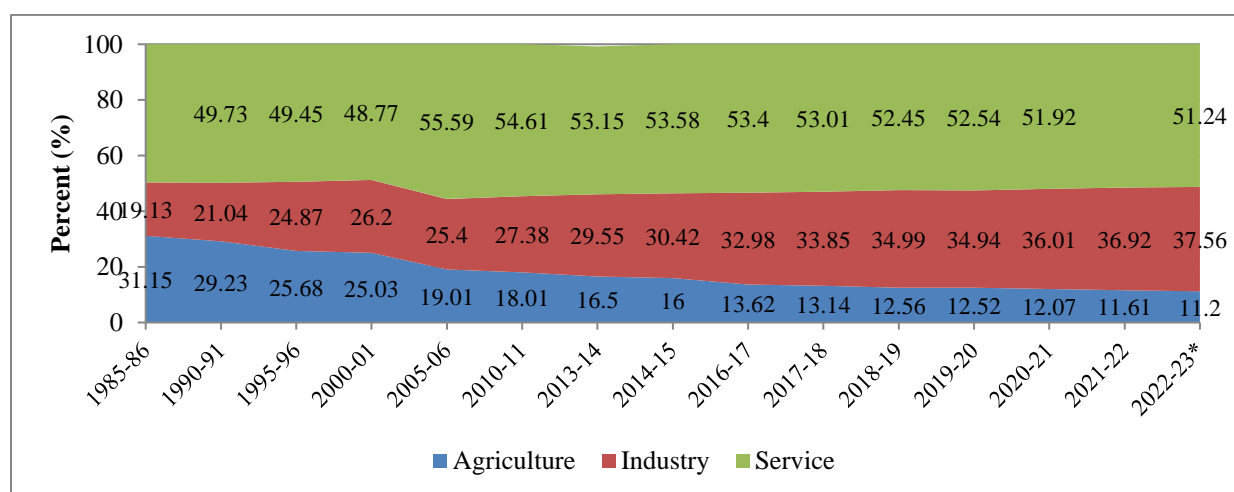
**Table 2.5: Trend of Structural Transformation of Broad Sectoral Shares in GDP and Growth Rate at Constant Prices**

Share (in percent)															
Sector	1985-86	1990-91	1995-96	2000-01	2005-06	2010-11	2013-14	2014-15	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
Agriculture	31.15	29.23	25.68	25.03	19.01	18.01	16.50	16.00	13.62	13.14	12.56	12.52	12.07	11.61	11.20
Industry	19.13	21.04	24.87	26.20	25.40	27.38	29.55	30.42	32.98	33.85	34.99	34.94	36.01	36.92	37.56
Service	49.73	49.73	49.45	48.77	55.59	54.61	53.15	53.58	53.40	53.01	52.45	52.54	51.92	51.48	51.24
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Growth (in percent)															
Agriculture	3.31	2.23	3.10	3.14	5.50	4.46	4.37	3.33	3.20	3.54	3.26	3.42	3.17	3.05	2.61
Industry	6.72	4.57	6.98	7.45	9.80	9.02	8.16	9.67	8.27	10.20	11.63	3.61	10.29	9.86	8.18
Service	4.10	3.28	3.96	5.53	6.60	6.22	5.62	5.80	6.37	6.55	6.88	3.93	5.73	6.26	5.84
GDP (At producer prices)	3.34	3.24	4.47	5.41	7.18	6.64	6.15	6.54	6.54	7.34	8.01	3.76	7.00	7.17	6.33

Source: Bangladesh Bureau of Statistics (BBS) \*Provisional

Note: Data up to FY2000-01 are based on FY 1915-96, data from FY 1996-97 to FY 2014-15 are based on 2005-16 and data since FY 2016-17 are based on FY 2015-16.

**Figure 2.2: Share of three Major Sectors in the Last More than three Decades at Constant Prices.**



\*Provisional



### Expenditure Based GDP

The scenario of consumption, savings, investments and expenditure is presented in Table 2.6, Table 2.7 and figure 2.3. According to the provisional data on the expenditure side, consumption decreased to 73.98 percent of GDP in FY 2022-23 from 74.78

percent in FY 2021-22, with a significant contribution of private sector. On the other hand, gross domestic saving increased to 26.02 percent of GDP in FY 2022-23; which was 25.22 percent in preceding fiscal year. Moreover national saving also increased to 30.22 percent in FY 2022-23 from 29.35 percent in FY 2021-22.

**Table: 2.6: Expenditure Based Gross Domestic Product at Current Prices**

(In crore Taka.)

Item	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>1. Domestic Demand [(2)+(3)]</b>	<b>2137463</b>	<b>2414516</b>	<b>2781013</b>	<b>3108721</b>	<b>3304591</b>	<b>3730591</b>	<b>4242702</b>	<b>4671496</b>
<b>2. Consumption</b>	<b>1509739</b>	<b>1695216</b>	<b>1941136</b>	<b>2157955</b>	<b>2311982</b>	<b>2635572</b>	<b>2969875</b>	<b>3284047</b>
i. Private	1387986	1555239	1783859	1973840	2122667	2427900	2743527	3028854
ii. Public	121753	139978	157277	184116	189315	207672	226348	255193
<b>3. Investment</b>	<b>627723</b>	<b>719300</b>	<b>839877</b>	<b>950765</b>	<b>992609</b>	<b>1095019</b>	<b>1272827</b>	<b>1387450</b>
i. Private	492056	549942	658334	745228	761407	836682	973671	1049643
ii. Public	135668	169358	181542	205538	231202	258337	299156	337806
<b>4. Net Export</b>	<b>-72482</b>	<b>-101345</b>	<b>-189104</b>	<b>-159039</b>	<b>-170757</b>	<b>-225877</b>	<b>-318354</b>	<b>-255428</b>
<b>5. Gross Domestic Expenditure (GDE)</b>	<b>2064980</b>	<b>2313171</b>	<b>2591909</b>	<b>2949682</b>	<b>3133834</b>	<b>3504714</b>	<b>3924348</b>	<b>4416069</b>
<b>6. Gross Domestic Product (GDP)</b>	<b>2075821</b>	<b>2324307</b>	<b>2639248</b>	<b>2951429</b>	<b>3170469</b>	<b>3530185</b>	<b>3971716</b>	<b>4439273</b>
7. Statistical Discrepancy	10841	11136	47339	1747	36636	25471	47368	23205

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional).

Investment (Gross Fixed Capital Formation) increased by 1.03 percentage points to 32.05 percent of GDP in FY 2021-22, compared to the investment of 31.02 percent in FY 2020-21. According to provisional estimate, the total investment stood 31.25 percent of GDP in FY 2022-23. Of them private sector investment

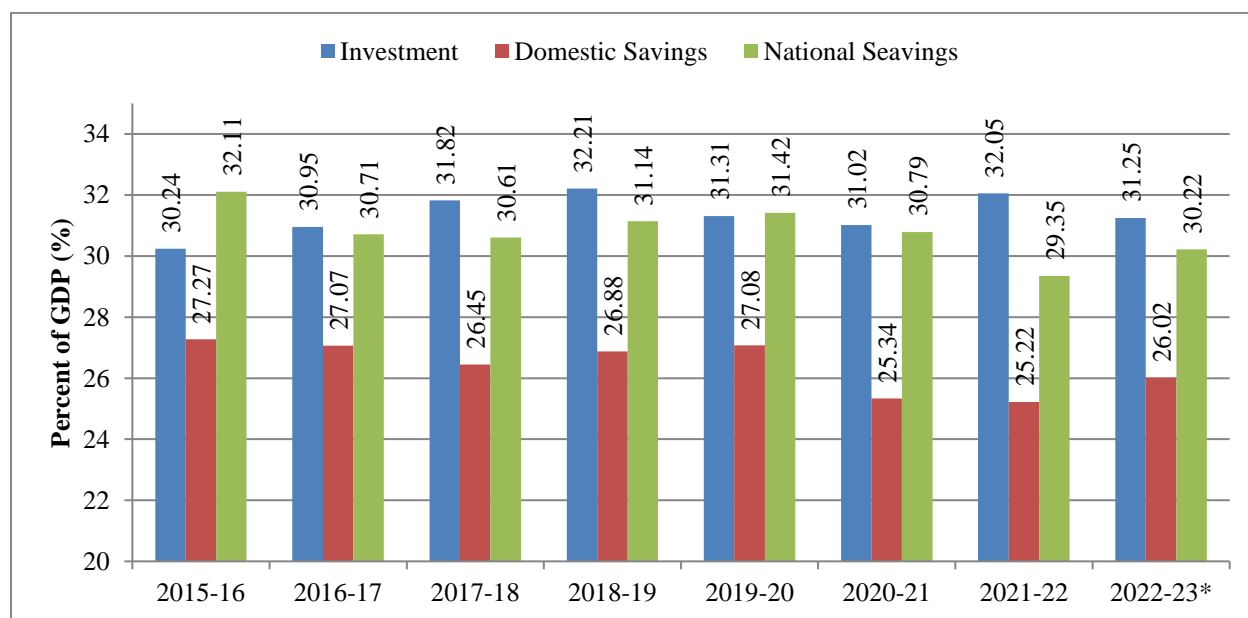
decreased to 23.64 percent of GDP compared to 24.52 percent of previous fiscal year. The public sector investment rises to 7.61 percent of GDP from 7.53 percent compared to the previous fiscal year. In absolute term, amount of investment stood at Tk. 13,87,450 crore in FY 2022-23, up by 9 percent from Tk. 12,72,827 crore in the previous fiscal year.

**Table: 2.7: Consumption, Savings and Investment (As percent of GDP)**

Item	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
<b>1. Consumption</b>	<b>72.73</b>	<b>72.93</b>	<b>73.55</b>	<b>73.12</b>	<b>72.92</b>	<b>74.66</b>	<b>74.78</b>	<b>73.98</b>
i. Private	66.86	66.91	67.59	66.88	66.95	68.78	69.08	68.23
ii. Public	5.87	6.02	5.96	6.24	5.97	5.88	5.70	5.75
<b>2. Investment</b>	<b>30.24</b>	<b>30.95</b>	<b>31.82</b>	<b>32.21</b>	<b>31.31</b>	<b>31.02</b>	<b>32.05</b>	<b>31.25</b>
i. Private	23.70	23.66	24.94	25.25	24.02	23.70	24.52	23.64
ii. Public	6.54	7.29	6.88	6.96	7.29	7.32	7.53	7.61
<b>3. Domestic Savings</b>	<b>27.27</b>	<b>27.07</b>	<b>26.45</b>	<b>26.88</b>	<b>27.08</b>	<b>25.34</b>	<b>25.22</b>	<b>26.02</b>
<b>4. National Savings</b>	<b>32.11</b>	<b>30.71</b>	<b>30.61</b>	<b>31.14</b>	<b>31.42</b>	<b>30.79</b>	<b>29.35</b>	<b>30.22</b>

Source: Bangladesh Bureau of Statistics (BBS) (\*Provisional).

**Figure 2.3: Trend of Investment, Domestic Savings and National Savings as percent of GDP**



(\*Provisional).