

GDP, SAVINGS AND INVESTMENT

Bangladesh has achieved GDP growth of more than 6 percent on an average during the last decade. GDP growth is accelerating gradually. Along with the current FY2018-19, the GDP growth rate of the economy of Bangladesh surpassed the 7 percent mark for consecutive four times since FY2015-16. According to the provisional estimate of BBS, the GDP growth stood at 8.13 percent in FY2018-19, which was 7.86 percent in previous fiscal year. High growth of manufacturing sector under broad industry sector has contributed significantly to achieve high GDP growth in this fiscal year. Among the 3 broad sectors, growth of agriculture sector increased to 3.51 percent, which was 4.19 percent in previous fiscal year. According to the provisional data, growth of broad industry sector increased to 13.02 percent in FY2018-19; which was 12.06 percent in preceding fiscal year. Growth of broad service sector increased to 6.50 percent in FY2018-19 from 6.39 percent in FY2017-18. According to the provisional data sectoral share of broad agriculture, industry and service stood at 13.60 percent, 35.14 percent and 51.26 percent respectively; which were 14.23 percent, 33.66 percent and 52.11 percent respectively in previous fiscal year. In demand side, the consumption expenditure stood at 76.07 percent in FY2018-19. Gross domestic savings increased to 23.93 percent of GDP in FY2018-19, from 22.83 percent a year earlier. However, national savings as percent of GDP increased to 28.41 percent in FY2018-19 from 27.42 percent in FY2017-18. On the other hand, investment-GDP ratio increased to 31.56 percent in FY2018-19, from 31.23 percent in previous fiscal year.

Economic Growth

Bangladesh economy has maintained sustainable growth and achieved GDP growth at more than 6 percent on an average during the last decade. According to Bangladesh Bureau of Statistics (BBS), the GDP growth surpassed 7 percent in FY2015-16 and stood at 7.11 percent. The GDP growth increased to 7.28 percent in FY2016-17 and 7.86 percent in FY2017-18. As per provisional estimate of BBS, the GDP growth stood at 8.13 percent in FY2018-19.

Gross Domestic Product (GDP) at Current Prices

According to the provisional data of BBS, GDP at current market prices stood at Tk.25,36,177 crore in FY2018-19, up by 12.7

percent of the previous fiscal year. The per capita GDP increased to Tk.1,53,197 in FY2018-19 which was Tk.1,37,518 in previous fiscal year. On the other hand, per capita national income in FY2018-19 stood at Tk.1,60,060 up from Tk.1,43,789 in the previous fiscal year. In US dollar, per capita GNI and GDP stood at US\$1,909 and US\$1,827 respectively in FY2018-19 compared to US\$1,751 and US\$1,675 respectively in FY2017-18. On the basis of Purchasing Power Parity (PPP), calculated by UNDP, the per capita GNI stood at US\$3,524. GDP, GNI, per capita GDP and national income during the period from FY2010-11 to FY2018-19 are shown in Table 2.1 and sector-wise GDP at current market prices are shown in Table 2.2.

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

Item	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
GDP (In Crore Tk.)	915829	1055204	1198923	1343674	1515802	1732864	1975815	2250479	2536177
GNI (In Crore Tk.)	988342	1144506	1295352	1433224	1614204	1832675	2060716	2353108	2649787
Population (In Crore)	14.97	15.16	15.37	15.58	15.79	15.99	16.18	16.37	16.56
Per Capita GDP (In Tk.)	61198	69614	78009	86266	96004	108378	122152	137518	153197
Per Capita GNI (In Tk.)	66044	75505	84283	92015	102236	114621	127401	143789	160060
Per Capita GDP (In US\$)	860	880	976	1110	1236	1385	1544	1675	1827
Per Capita GNI (In US\$)	928	955	1054	1184	1316	1465	1610	1751	1909

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

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

(In Crore Taka)

Sector/Sub-sector	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Agriculture and Forestry	125469	138879	148758	163968	176500	190315	205398	227353	246266
a) Crops & horticulture	91903	100899	106794	117903	126121	134322	143704	159171	171308
b) Animal Farmings	20171	22999	25359	27667	29885	33165	36026	39625	43212
c) Forest and related services	13395	14981	16605	18398	20494	22827	25668	28557	31747
2. Fishing	28482	31827	36995	42308	47581	53076	59627	66882	74828
3. Mining and Quarrying	14208	16650	19461	21080	23876	28578	34127	38884	44039
a) Natural gas and crude	6846	7366	7953	8156	9188	10706	12003	13300	14766
b) Other mining & coal	7363	9284	11508	12924	14688	17872	22124	25584	29273
4. Manufacturing	146503	167927	197127	223221	254483	295111	341829	404144	482048
a) Large & medium scale	116453	134397	158448	180382	205992	240164	279217	332594	399860
b) Small scale	30049	33530	38679	42839	48491	54947	62612	71551	82188
5. Electricity, Gas and Water	11589	14189	16381	18401	19868	23829	26244	29336	32541
a) Electricity	8646	10189	12168	13834	15061	18447	20370	22728	25497
b) Gas	2339	3300	3448	3676	3787	4279	4579	5196	5472
c) Water	605	701	766	891	1020	1103	1295	1412	1571
6. Construction	57072	68304	82432	90834	108484	126353	146107	169855	196656
7. Wholesale and Retail Trade	121332	137396	154579	172575	192585	214257	243958	279823	321204
8. Hotel and Restaurants	8228	9755	11263	13035	14928	17058	19318	22123	25280
9. Transport, Storage & Communication	94571	112702	124281	134317	150025	169145	187076	204630	225438
a) Land transport	68717	83345	92183	99311	112096	127895	142808	157038	174426
b) Water transport	6934	7089	7649	8064	8967	10207	10996	11698	12466
c) Air transport	957	1022	1047	1116	1269	1352	1399	1476	1574
d) Support transport services,	4410	5391	6001	6672	7427	8031	8707	9706	10415
e) Post and Tele communications	13553	15854	17400	19154	20267	21681	23166	24713	26558
10. Financial Intermediations	27545	36316	42237	48563	55761	63601	73205	83728	94265
a) Monetary intermediation (Banks)	21522	29351	34727	40390	46644	53790	62389	71754	81420
b) Insurance	3786	4584	4920	5364	5938	6327	6808	7341	7504
c) Other financial auxiliaries	2237	2381	2590	2810	3180	3485	4008	4633	5341
11. Real Estate, Renting and Business Activities	60119	68715	78820	91229	106061	123740	144539	166419	186849
12. Public Administration and Defence	30282	33499	37678	44728	50674	66711	78441	90228	100120
13. Education	21392	25048	28429	32767	37624	46512	56856	64478	72308
14. Health and Social Works	17731	20133	23868	26924	30135	34758	38987	44064	50056
15. Community, Social and Personal Services	104608	117293	138952	156552	176402	194248	214213	236378	260591
Tax less subsidy	46698	56569	57662	63174	70815	85552	105892	2128324	123688
GDP at current market price	915829	1055204	1198923	1343674	1515802	1732864	1975815	2250479	2536177
Growth rate	14.83	15.22	13.62	12.07	12.81	14.32	14.02	13.90	12.69

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

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Growth of GDP by Sectors

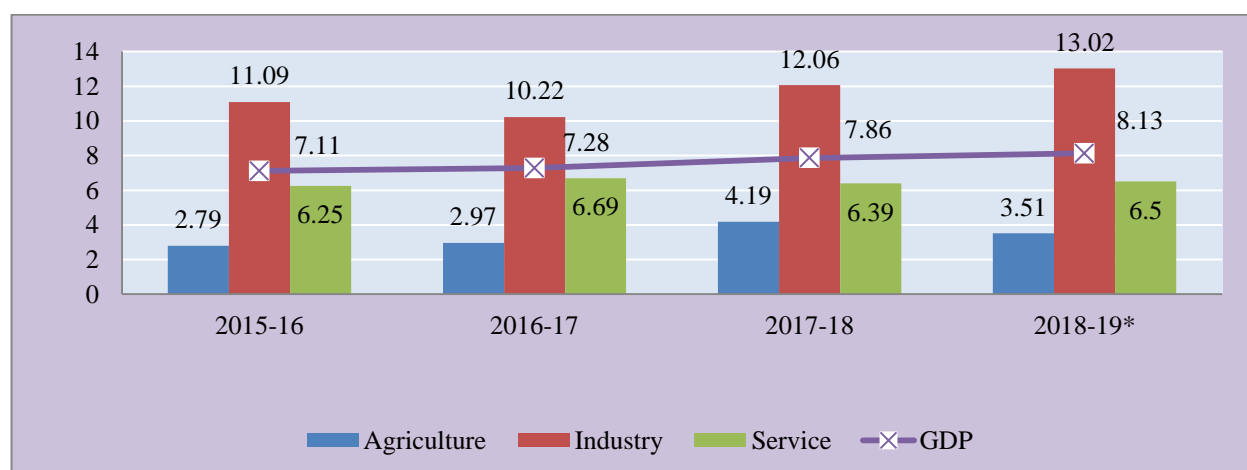
Production based estimate of GDP encompasses 3 broad sectors which are agriculture, industry and service. Moreover, overall GDP consists of 15 sectors. Among these 15 sectors, 6 sectors are divided into different sub sectors. The broad agriculture sector consists of two sectors namely, (i) agriculture 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. The growth rates of GDP by sectors at constant prices have been shown in Table 2.3 and Figure 2.1.

Table 2.3: Sectoral Growth Rate of GDP at Constant Prices

Sector/Sub-sector	(Base Year: 2005-06)								
	(In Percentage)								
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Agriculture and Forestry	3.89	2.41	1.47	3.81	2.45	1.79	1.96	3.47	2.58
a) Crops & horticulture	3.85	1.75	0.59	3.78	1.83	0.88	0.96	3.06	1.75
b) Animal Farming	2.59	2.68	2.74	2.83	3.08	3.19	3.31	3.40	3.47
c) Forest and related services	5.56	5.96	5.04	5.01	5.08	5.12	5.60	5.51	5.58
2. Fishing	6.69	5.32	6.18	6.36	6.38	6.11	6.23	6.37	6.29
3. Mining and Quarrying	3.62	6.93	9.35	4.68	9.60	12.84	8.89	7.00	7.39
a) Natural gas and crude petroleum	0.68	3.78	7.55	2.47	8.73	11.77	0.34	2.25	3.11
b) Other mining & coal	9.34	12.58	12.34	8.20	10.90	14.42	21.19	12.66	12.02
4. Manufacturing	10.01	9.96	10.31	8.77	10.31	11.69	10.97	13.40	14.73
a) Large & medium scale	11.11	10.76	10.65	9.32	10.70	12.26	11.20	14.26	15.61
b) Small scale	5.67	6.58	8.81	6.33	8.54	9.06	9.82	9.25	10.26
5. Electricity, Gas and Water Supply	13.36	10.58	8.99	4.54	6.22	13.33	8.46	9.19	10.57
a) Electricity	15.82	10.97	9.69	1.69	6.09	14.20	9.22	10.19	11.57
b) Gas	0.07	7.45	5.91	10.93	5.16	9.91	0.28	2.20	2.85
c) Water	8.23	10.91	4.75	8.08	9.62	7.40	11.09	5.66	7.17
6. Construction	6.95	8.42	8.04	8.08	8.60	8.56	8.77	9.92	9.63
7. Wholesale and Retail Trade	6.69	6.70	6.18	6.73	6.35	6.50	7.37	7.45	7.70
8. Hotel and Restaurants	6.20	6.39	6.49	6.70	6.83	6.98	7.13	7.28	7.43
9. Transport, Storage & Communication	8.44	9.15	6.27	6.05	5.96	6.08	6.76	6.58	6.88
a) Land Transport	7.18	6.83	5.91	5.56	6.18	6.28	7.06	6.72	6.93
b) Water transport	2.92	3.10	3.21	3.15	3.62	3.20	4.10	3.50	3.72
c) Air transport	15.23	5.76	-1.64	0.61	8.71	1.48	2.79	2.74	6.04
d) Support transport services, storage	11.97	17.60	3.36	2.59	5.37	5.19	6.40	9.58	7.20
e) Post and Tele communications	13.77	16.92	9.67	9.56	6.11	6.81	6.98	6.53	7.56
10. Financial Intermediations	10.44	14.76	9.11	7.27	7.78	7.74	9.12	7.90	8.32
a) Monetary intermediation (Banks)	12.98	17.61	10.87	8.33	8.49	8.85	9.95	8.51	9.42
b) Insurance	3.69	4.41	0.61	1.55	3.95	0.54	2.05	1.63	-2.51
c) Other financial auxiliaries	-2.54	2.33	3.14	3.63	4.68	4.54	9.06	9.05	8.29
11. Real Estate, Renting and Business Activities	3.88	3.92	4.04	4.25	4.40	4.47	4.80	4.98	5.15
12. Public Administration and Defence	8.84	7.53	6.53	6.89	9.82	11.43	9.15	8.47	6.45
13. Education	5.63	7.75	6.30	7.26	8.01	11.71	11.35	7.01	6.50
14. Health and Social Works	6.34	3.81	4.76	5.06	5.18	7.54	7.63	7.02	9.15
15. Community, Social and Personal Services	3.23	3.25	3.25	3.27	3.28	3.30	3.62	3.65	3.69
At Constant Price GDP Growth Rate	6.46	6.52	6.01	6.06	6.55	7.11	7.28	7.86	8.13

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

Figure 2.1: Broad Sectoral GDP Growth at Constant Prices

*Provisional

Agriculture Sector

At constant prices growth of agriculture and forestry sector under broad agriculture sector stood at 2.58 percent in FY2018-19, which was 3.47 percent in previous fiscal year. The growth of the three subsectors of agriculture and forestry sector i.e. crops and horticulture; animal farming; forest and related services reached 1.75 percent, 3.47 percent and 5.58 percent respectively in FY2018-19, which were 3.06 percent, 3.40 percent and 5.51 percent respectively in previous fiscal year.

The food-grain production target (rice, wheat and maize) in FY2018-19 has been set at 425.74 lakh metric tonnes (MT), which was 413.25 lakh MT in previous fiscal year. Rice production target in FY2018-19 is 364.59 (Aus 27.02, Aman 141.34, Boro 196.23) lakh MT. Besides, wheat production and maize production target in FY2018-19 has been set at 12.87 lakh MT and 38.28 lakh MT. According to the estimate of the Department of Fisheries (DoF), the total fish production in FY2018-19 is expected to be 43.81 lakh MT

(inland fish production 37.17 lakh MT and marine fish production 6.64 lakh MT), which was 42.77 lakh MT (inland fish production 36.22 lakh MT and marine fish production 6.55 lakh MT) in previous fiscal year.

Industry Sector

According to the provisional estimate the growth of 3 sectors ('mining and quarrying', 'manufacturing' and 'electricity, gas and water supply') of broad industry sector increased while growth of 1 sector ('construction') decreased in FY2018-19. Those three sectors comprise 78.40 percent of industry sector and 27.55 percent of GDP. The growth of natural gas and crude petroleum sub-sector increased to 3.11 percent in FY2018-19, which was 2.25 percent in previous fiscal year. However, growth of other mining and coal sub-sector slightly decreased to 12.02 percent, from 12.66 percent in previous fiscal year. Similarly, growth of 'large and medium scale manufacturing' sub-sector slightly increased

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to 15.61 percent, but ‘small scale manufacturing’ sub-sectors increased to 10.26 percent. Moreover, growth of 3 sub-sectors i.e. electricity, gas and water supply were 11.57 percent, 2.85 percent and 7.17 percent respectively in FY2018-19; which were 10.19 percent, 2.20 percent and 5.66 percent respectively in the previous fiscal year. On the other hand, growth in construction sector slightly decreased to 9.63 percent in FY2018-19 from 9.92 percent in the previous fiscal year.

According to the ‘Quantum Index of Industrial Production (QIIP)’ (Base Year: 2005-06), Index of Industrial Production of ‘large and medium scale manufacturing’ sub-sector in the first five months (July-November 2018) of current FY2018-19 stood at 384.99, increasing by 18.05 percent from 326.12 during the same period in the previous fiscal year.

Service Sector

According to the provisional data, growth in broad service sector increased to 6.50 in FY2018-19 compared to 6.39 in previous fiscal year. The output of the ‘wholesale and retail trade’, ‘hotel and restaurants’ and ‘transport, storage and communication’ sector under broad service sector registered growth to 7.70 percent, 7.43 percent and 6.88 percent respectively in FY2018-19; which were 7.45 percent, 7.28 percent and 6.58 percent respectively in the preceding fiscal year. The growth of ‘real estate, renting and business activities’ and ‘community, social and personal services’ sector increased to 5.15 percent in FY2018-19 from 4.98 in the previous fiscal year. However, the growth of

‘public administration and defense’ and ‘education’ sub-sectors slightly reduced while the growth of ‘Health and Social Works’ and ‘Community, Social and Personal Services’ sub-sectors increased compared to the growth in previous fiscal year.

Sectoral Shares in GDP at Constant Prices

Table 2.4 shows the sectoral share of GDP at constant prices during FY2010-11 to FY2018-19. According to data, the share of the agriculture and forestry sector in GDP at constant prices stood at 10.11 percent in the FY2018-19, from 10.67 percent in FY2017-18. The sectoral share of 3 sub-sectors i.e. ‘crops and horticulture’, ‘animal farmings’ and ‘forest and related services’ under agriculture and forestry sector decreased to some extent in FY2018-19 from preceding fiscal year. Moreover, share of GDP in fishing sector decreased to 3.50 percent in FY2018-19 from 3.56 percent in FY2017-18. The contribution of broad agriculture sector of GDP was 13.60 percent in FY2018-19, which was 14.23 percent in previous fiscal year.

During FY2018-19, within the broad industry sector, contribution of ‘mining and quarrying’ sector slightly decreased to 1.77 percent from 1.78 percent in FY2017-18. Similarly, contribution of ‘manufacturing’, ‘electricity, gas and water supply’ and ‘construction’ sectors expanded to 24.21 percent, 1.57 percent and 7.59 percent of GDP respectively in FY2018-19 compared to the previous fiscal year. The share of broad industry sector reached 35.14 percent in FY2018-19 from 33.66 percent in FY2017-18.

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In FY2018-19, the share of broad service sector in GDP stood at 51.26 percent, from 52.11 percent in previous year. Within the broad service sector, the contribution of wholesale and retail trade sector (13.88%) was the highest. Also transport, storage and communication sector was second highest

(10.98%). Next positions are community, social and personal services (8.16%); real estate, renting and business activities (6.13%); public administration and defense (3.65%); financial intermediations (3.45%); education (2.42%); health and social works (1.85%) and hotel and restaurants (0.74%).

Table 2.4: Sectoral Share of GDP at Constant Prices

Sector/Sub-sector	(Base Year: 2005-06)								
	(In percentage)								
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Agriculture And Forestry	14.27	13.70	13.09	12.81	12.32	11.70	11.12	10.67	10.11
a) Crops & horticulture	10.50	10.01	9.49	9.28	8.87	8.35	7.86	7.51	7.05
b) Animal Farmings	1.98	1.90	1.84	1.78	1.73	1.66	1.60	1.53	1.47
c) Forest and related services	1.79	1.78	1.76	1.74	1.72	1.69	1.66	1.62	1.58
2. Fishing	3.73	3.68	3.68	3.69	3.69	3.65	3.61	3.56	3.50
3. Mining And Quarrying	1.60	1.61	1.65	1.63	1.68	1.77	1.80	1.78	1.77
a) Natural gas and crude petroleum	1.03	1.00	1.01	0.98	1.00	1.04	0.98	0.92	0.88
b) Other mining & coal	0.57	0.61	0.64	0.65	0.68	0.73	0.82	0.86	0.89
4. Manufacturing	17.75	18.28	19.00	19.47	20.16	21.01	21.74	22.85	24.21
a) Large & medium scale	14.32	14.86	15.49	15.95	16.58	17.37	18.01	19.07	20.36
b) Small scale	3.43	3.42	3.51	3.51	3.58	3.64	3.73	3.78	3.85
5. Electricity, Gas And Water Supply	1.36	1.41	1.45	1.42	1.42	1.50	1.52	1.54	1.57
a) Electricity	1.13	1.17	1.21	1.19	1.19	1.26	1.29	1.32	1.36
b) Gas	0.15	0.15	0.15	0.15	0.14	0.15	0.14	0.13	0.12
c) Water	0.08	0.09	0.08	0.09	0.09	0.09	0.09	0.09	0.09
6. Construction	6.67	6.78	6.90	7.03	7.16	7.26	7.36	7.50	7.59
7. Wholesale And Retail Trade	14.02	14.02	14.03	14.10	14.08	13.99	14.01	13.95	13.88
8. Hotel And Restaurants	0.75	0.74	0.75	0.75	0.75	0.75	0.75	0.75	0.74
9. Transport, Storage & Communication	11.23	11.49	11.50	11.49	11.43	11.31	11.26	11.13	10.98
a) Land Transport	7.31	7.32	7.31	7.27	7.24	7.18	7.17	7.09	7.00
b) Water transport	0.89	0.86	0.84	0.81	0.79	0.76	0.74	0.71	0.68
c) Air transport	0.14	0.14	0.13	0.12	0.12	0.12	0.11	0.11	0.10
d) Support transport services, storage	0.63	0.69	0.67	0.65	0.64	0.63	0.63	0.64	0.63
e) Post and Tele communications	2.26	2.48	2.56	2.64	2.63	2.65	2.61	2.58	2.56
10. Financial Intermediations	2.99	3.21	3.30	3.34	3.38	3.39	3.45	3.45	3.45
a) Monetary intermediation (Banks)	2.37	2.62	2.73	2.79	2.84	2.88	2.96	2.97	3.00
b) Insurance	0.42	0.41	0.39	0.37	0.36	0.34	0.32	0.30	0.27
c) Other financial auxiliaries	0.20	0.19	0.18	0.18	0.18	0.17	0.17	0.18	0.18
11. Real Estate, Renting and Business Activities	7.41	7.22	7.07	6.95	6.81	6.64	6.49	6.31	6.13
12. Public Administration and Defence	3.33	3.35	3.36	3.39	3.49	3.63	3.70	3.71	3.65
13. Education	2.21	2.23	2.24	2.26	2.29	2.39	2.48	2.46	2.42
14. Health and Social Works	1.95	1.90	1.88	1.86	1.83	1.84	1.85	1.83	1.85
15. Community, Social and Personal Services	10.72	10.38	10.09	9.82	9.52	9.18	8.87	8.52	8.16
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

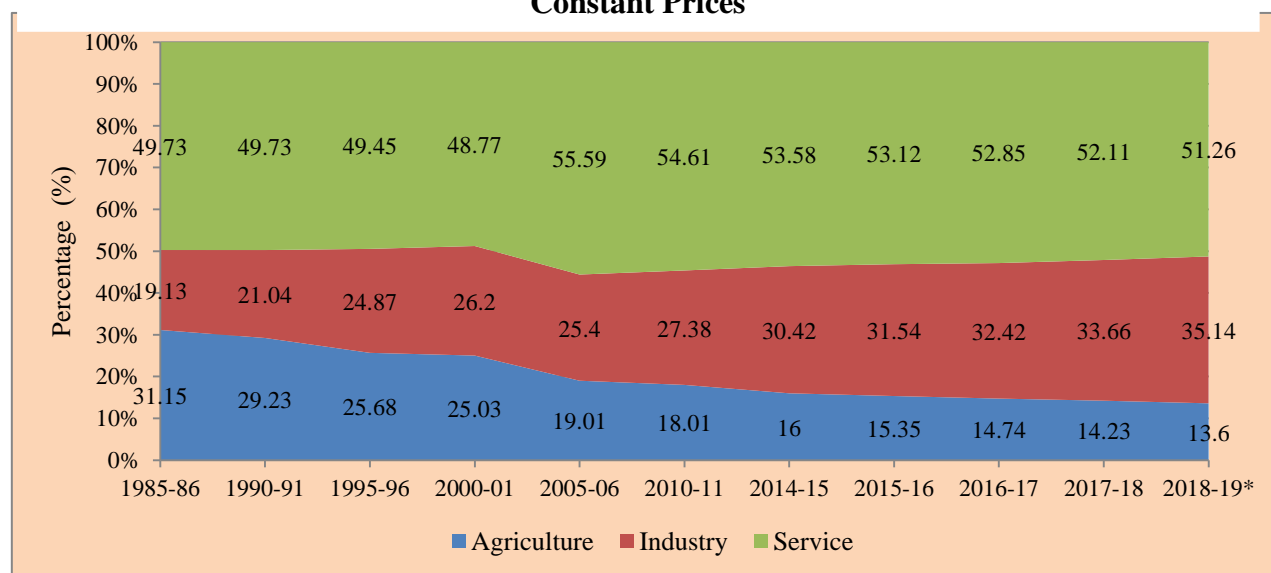
The structural changes of contribution of broad sectors in GDP are shown in the Table 2.5 and Figure 2.2. Table 2.5 indicates that the structural change of agriculture sector to industry sector in GDP continues in FY2018-19. Figure 2.2 shows that contribution of

service sector was nearly 50 percent of GDP before FY2005-06. Contribution of this sector rose at 55.59 percent in FY2005-06. In recent times this contribution is near about 51-52 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	2015-16	2016-17	2017-18	2018-19 *
Agriculture	31.15	29.23	25.68	25.03	19.01	18.01	16.50	16.00	15.35	14.74	14.23	13.60
Industry	19.13	21.04	24.87	26.20	25.40	27.38	29.55	30.42	31.54	32.42	33.66	35.14
Service	49.73	49.73	49.45	48.77	55.59	54.61	53.15	53.58	53.12	52.85	52.11	51.26
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
Average growth rate (in percent)												
Agriculture	3.31	2.23	3.10	3.14	5.50	4.46	4.37	3.33	2.79	2.97	4.19	3.51
Industry	6.72	4.57	6.98	7.45	9.80	9.02	8.16	9.67	11.09	10.22	12.06	13.02
Service	4.10	3.28	3.96	5.53	6.60	6.22	5.62	5.80	6.25	6.69	6.39	6.50
GDP (At producer prices)	3.34	3.24	4.47	5.41	7.18	6.64	6.15	6.54	7.11	7.28	7.86	8.13

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

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 and expenditure is presented in Table 2.6 and Table 2.7. According to the provisional data on the expenditure side, consumption decreased from 77.17 percent of GDP in

FY2017-18 to 76.07 percent in FY2018-19. On the other hand, domestic saving stood at 23.93 percent of GDP in FY2018-19; which was 22.83 percent in preceding fiscal year. However, national saving slightly increased to 28.41 percent in FY2018-19 from 27.42 percent in FY2017-18.

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

(In crore Taka.)

Item	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Domestic Demand [(2)+(3)]	978095	1129475	1275097	1430851	1617789	1813872	2078186	2439522	2729918
2. Consumption	726966	831250	934727	1046858	1179924	1300034	1475356	1736587	1929384
i. Public	46684	53175	61339	71719	81918	102109	118467	143056	159768
ii. Private	680282	778075	873389	975139	1098006	1197925	1356889	1593531	1769616
3. Investment	251129	298225	340370	383994	437865	513839	602830	702936	800533
i. Public	48150	60802	79621	87991	103393	115492	146472	179417	207119
ii. Private	202979	237423	260749	296003	334472	398347	456358	523518	593414
4. Net Export	-69390	-82177	-86570	-87806	-112361	-80663	-103370	-194508	-179485
5. Gross Domestic Expenditure	908705	1047299	1188527	1343045	1505428	1733210	1974816	2245014	2550432
6. Gross Domestic Product	915829	1055204	1198923	1343674	1515802	1732864	1975815	2250479	2536177
7. Statistical Discrepancy	8017	7905	10396	6292	10375	-346	1000	5465	-14255

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

Gross investment as percent of GDP accelerated in FY2018-19 compared to earlier year. Similarly, both public and private investment increased in FY2018-19 from previous fiscal year. The total investment rose to 31.56 percent in FY2018-19, which was 31.23 percent in FY2017-18. Public sector and private sector investment increased to

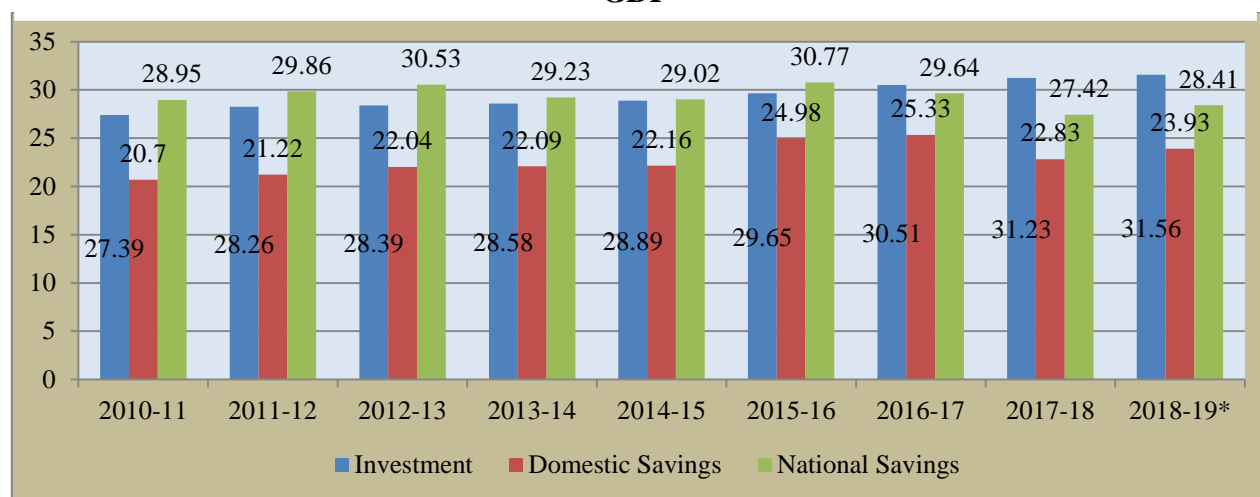
8.17 percent and 23.40 percent of GDP respectively in FY2018-19; which were 7.97 percent and 23.26 percent of GDP respectively in preceding fiscal year. In absolute term, amount of investment stood at Tk.8,00,533 crore in FY2018-19, increasing by 13.88 percent from Tk.7,02,936 crore in the previous fiscal year.

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

(Base Year: 2005-06)

Item	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Consumption	79.30	78.78	77.96	77.91	77.84	75.02	74.67	77.17	76.07
i. Public	5.09	5.04	5.12	5.34	5.40	5.89	6.00	6.36	6.30
ii. Private	74.21	73.74	72.85	72.57	72.44	69.13	68.67	70.81	69.77
2. Investment	27.39	28.26	28.39	28.58	28.89	29.65	30.51	31.23	31.56
i. Public	5.25	5.76	6.64	6.55	6.82	6.66	7.41	7.97	8.17
ii. Private	22.14	22.50	21.75	22.03	22.07	22.99	23.10	23.26	23.40
3. Domestic Savings	20.70	21.22	22.04	22.09	22.16	24.98	25.33	22.83	23.93
4. National Savings	28.95	29.86	30.53	29.23	29.02	30.77	29.64	27.42	28.41

Source: Bangladesh Bureau of Statistics (BBS) *Provisional

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

*Provisional

In order to increase domestic and foreign investment, the government of Bangladesh is formulating investment friendly policies, acts and laws. Bangladesh Economic Zone Authority (BEZA) has taken an initiative to create employment of around 1 crore people by establishing 100 Economic Zones (EZs) throughout the country by 2030. In this backdrop, approval has been given (up to January 2019) to establish 88 EZ (public 61 and private 27). ‘One Stop Act, 2018’ has been passed in the Parliament for simplifying the business and providing fast and hassle free services to the investors. Under this act, investors have been mandated to have necessary services from the same office. Moreover, it is expected that the investment in the country will be increased and GDP growth will be accelerated as some comprehensive plans and programmes under Annual Development Programme (ADP) and Public Private Partnership (PPP) on structural development, rapid electrification, energy

diversification, developed communication system and communication technology have been undertaken.

Bangladesh Investment Development Authority (BIDA) is relentlessly working with new initiatives to attain overall economic growth through encouraging local and foreign investment in private sector, providing facilities and assistance to establish industries and providing administrative coordination and better service to utilize government industries and commercial institutions and unutilized land and establishments into more suitable economic activities. BIDA is working to improve the ratings of Bangladesh which is currently 176th out of the 190 economies mentioned in the ‘Ease of Doing Business’ report. The full international standard online One Stop Service was launched on January 2019 in pilot basis. The new horizon of the investment environment is going to be opened by full-fledged One Stop Service.