

## 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. According to the provisional estimate of BBS, the GDP growth is expected to be 7.25 percent in FY 2021-22. During the period, the per capita GDP and GNI stood at US\$ 2,723 and US\$ 2,824 respectively. The per capita GDP and GNI of the previous fiscal year were US\$ 2,462 and US\$ 2,591 respectively. The agriculture sector has been least affected sector by the pandemic and recorded a growth of 3.42 percent in FY 2019-20. The growths in agriculture sector slightly decelerated to 3.17 percent in FY 2020-21, but sharply fall at 2.20 percent in the current fiscal year. Growth in industry sector declined sharply in FY 2019-20. During the period, growth in the industrial sector slowed to 3.61 percent from 11.63 percent in pre-pandemic year. However, in FY 2020-21, the industrial sector has turned around and the growth of this sector has stood at 10.29 percent. As per provisional estimate, the growth in industry sector is expected to stand 10.44 percent in FY 2021-22. According to the provisional data, in FY 2021-22, growth in broad service sector has been increased by 1.80 percent to 5.73 percent as compared to 3.93 percent in the pandemic year. The sectoral share of broad agriculture, industry and service stood at 11.50 percent, 37.07 percent and 51.44 percent respectively in FY 2021-22; which were 12.07 percent, 36.01 percent and 51.92 percent respectively in previous fiscal year. In demand side, the consumption expenditure stood at 78.44 percent in FY 2021-22, with significant contribution of private sector. Gross domestic savings decrease to 21.56 percent of GDP in FY 2021-22, from 25.34 percent a year earlier. Similarly gross national savings as percent of GDP decreased to 25.45 percent in FY 2021-22 from 30.79 percent in FY 2020-21. On the other hand, investment-GDP ratio increased to 31.68 percent in FY 2021-22 from 31.02 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. According to the provisional estimate of BBS, the GDP growth is expected to be 7.25 percent in FY 2021-22.

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

According to the provisional data of BBS, GDP at current market prices is Tk. 39,76,462 crore

(US\$ 465 Billion) in FY 2021-22, up by 12.64 percent of the previous fiscal year.

The per capita GDP increased to Tk. 2,32,828 in FY 2021-22 which was Tk. 2,08,751 in previous fiscal year. On the other hand, per capita national income in FY 2020-21 stood at Tk. 2,41,470 up from Tk. 2,19,738 in the previous fiscal year. In US dollar, per capita GNI and GDP stood at US\$ 2,824 and US\$ 2,723 respectively in FY 2021-22 compared to US\$ 2,591 and US\$ 2,462 respectively in FY 2020-21. Table 2.1 shows GDP, GNI, per capita GDP and national income during the period from FY 2015-16 to FY 2021-22.

**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*
<b>GDP (In Crore Tk.)</b>	2075821	2324307	2639248	2951429	3170469	3530185	3976462
<b>GNI (In Crore Tk.)</b>	2173075	2404557	2744791	3072323	3301701	3715997	4124071
<b>Population (In crore)</b>	15.99	16.18	16.37	16.56	16.74	16.91	17.08
<b>Per Capita GDP (In Tk.)</b>	129828	143698	161274	178280	189361	208751	232828
<b>Per Capita GNI (In Tk.)</b>	135911	148659	167723	185583	197199	219738	241470
<b>Per Capita GDP (In US\$)</b>	1659	1816	1964	2122	2234	2462	2723
<b>Per Capita GNI (In US\$)</b>	1737	1879	2043	2209	2326	2591	2824

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*
<b>A. Agriculture</b>	279505	301167	329380	353443	380446	410661	439834
<b>1. Agriculture, forestry and fishing</b>	279505	301167	329380	353443	380446	410662	439834
a) Crops & horticulture	138280	148669	162333	173378	186116	199631	211886
b) Animal Farmings	46655	49516	53186	56290	59715	63293	67189
c) Forest and related services	37188	39864	43563	46639	50399	55916	62577
d) Fishing	57382	63118	70298	77136	84216	91822	98182
<b>B. Industry</b>	644940	726306	844106	969620	1043451	1176120	1354114
<b>2. Mining and quarrying</b>	33053	39984	44276	52610	55224	59102	58186
a) Natural gas and crude petroleum	11478	11807	11969	12054	11621	11743	11310
b) Other mining & coal	21575	28177	32307	40556	43603	47359	46876
<b>3. Manufacturing</b>	422387	466606	549024	625937	653064	749659	876662
a) Large Industry	221152	237826	275676	311858	318033	357357	411321
b) Small, Medium and Micro Industry	129108	146724	173858	198066	208696	248999	294267
c) Cottage Industry	72127	82056	99490	116014	126335	143302	171074
<b>4. Electricity, gas, steam and air conditioning supply</b>	24555	29233	32625	38144	44523	44902	48598
a) Electricity	18310	22014	24604	30239	36926	37096	40253

Industrial origin sector	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
b) Gas	6244	7219	8022	7905	7596	7806	8346
<b>5. Water supply; sewerage, waste management and remediation activities</b>	2103	2263	2488	2674	2761	2968	3410
<b>6. Construction</b>	162843	188219	215693	250255	287880	319490	367257
<b>C. Services</b>	1062983	1194320	1343117	1500780	1633150	1811038	2023549
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	288510	324632	373716	418395	445757	497652	572473
<b>8. Transportation and storage</b>	158030	178722	197806	219711	232252	256215	284986
a) Land Transport	136942	155313	172635	192706	203898	226881	253201
b) Water transport	12941	14328	15088	15864	16571	17475	18455
c) Air transport	1667	1899	2095	2250	2304	2279	2373
d) Warehousing and support activities	5539	6165	6877	7667	8156	8141	9402
e) Postal and courier activities	941	1016	1112	1224	1323	1439	1556
<b>9. Accommodation and food service activities</b>	23886	26670	30106	33549	36015	39857	44291
<b>10. Information and communication</b>	24834	27264	29461	32204	35107	38448	41807
<b>11. Financial and insurance activities</b>	65072	72247	81723	93297	103217	115271	130540
a) Monetary intermediation (Banks)	54996	61018	69326	79417	88044	98457	111879
b) Insurance	6343	6826	7439	8202	8851	9643	10549
c) Other financial auxiliaries	3733	4403	4958	5678	6322	7171	8112
<b>12. Real estate activities</b>	192509	214151	235990	260715	288001	313029	335147
<b>13. Professional, scientific and technical activities</b>	3906	4282	4714	5179	5656	6273	6935
<b>14. Administrative and support service activities</b>	14244	15722	17269	20017	23005	27138	30830
<b>15. Public administration and defence; compulsory social security</b>	66730	78463	90249	99006	106965	116996	127665
<b>16. Education</b>	54479	60858	68164	76961	85642	95642	107586
<b>17. Human health and social work activities</b>	54600	63515	73365	86811	101522	118500	136910
<b>18. Arts, entertainment and recreation</b>	3007	3365	3772	4244	4761	5341	6027
<b>19. Other service activities</b>	113177	124429	136783	150691	165250	180677	198352
<b>Total GVA at current basic price</b>	1987428	2221793	2516603	2823843	3057048	3397820	3817497
<b>Growth rate</b>	-	11.79	13.27	12.21	8.26	11.15	12.35
Tax less subsidy	88394	102514	122645	127586	113422	132366	158965
<b>GDP at current market price</b>	2075821	2324307	2639248	2951429	3170469	3530185	3976462
<b>Growth rate</b>	ase-	11.97	13.55	11.83	7.42	11.35	12.64

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.

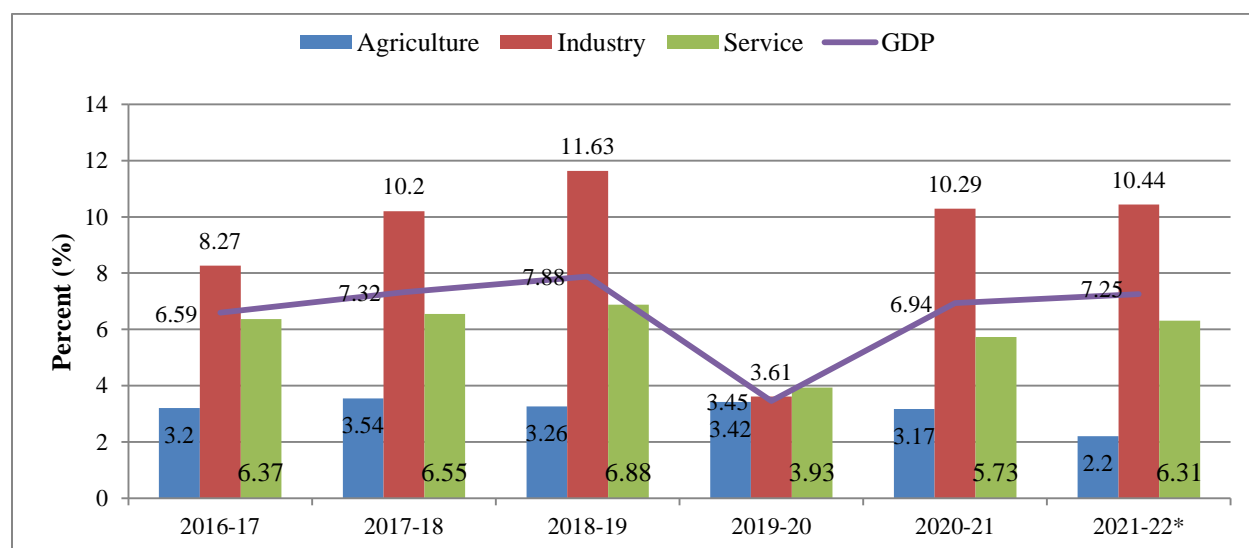
**Table 2.3: Sectoral Growth Rate of GDP at Constant Prices**

	(Base Year: 2015-16)				(In Percentage)	
Industrial origin sector	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
A. Agriculture	3.20	3.54	3.26	3.42	3.17	2.20
1. Agriculture, forestry and fishing	3.20	3.54	3.26	3.42	3.17	2.20
a) Crops & horticulture	2.22	2.75	2.07	2.5	2.29	1.06
b) Animal Farmings	2.77	2.90	3.01	3.19	2.94	3.10
c) Forest and related services	5.00	5.08	5.13	5.34	4.98	5.08
d) Fishing	4.73	4.93	4.99	4.4	4.11	2.08
B. Industry	8.27	10.2	11.63	3.61	10.29	10.44
2. Mining and quarrying	17.29	9.55	11.31	3.16	6.49	-1.94
a) Natural gas and crude petroleum	-0.34	0.04	-0.57	-4.47	0.32	-4.69
b) Other mining & coal	26.67	13.53	15.69	5.58	8.26	-1.21
3. Manufacturing	7.09	10.45	12.33	1.68	11.59	12.31
a) Large Industry	4.63	11.08	12.79	0.41	10.61	12.87
b) Small, Medium and Micro Industry	10.06	11.10	10.61	2.69	13.89	11.71
c) Cottage Industry	9.29	7.45	14.17	3.67	10.27	11.75

Industrial origin sector	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
<b>4. Electricity, gas, steam and air conditioning supply</b>	<b>7.07</b>	<b>8.27</b>	<b>8.24</b>	<b>0.67</b>	<b>9.54</b>	5.96
a) Electricity	8.78	10.09	10.22	1.87	11.65	7.24
b) Gas	2.06	2.60	1.62	-3.68	1.45	0.52
<b>5. Water supply; sewerage, waste management and remediation activities</b>	<b>3.63</b>	<b>2.96</b>	<b>6.31</b>	<b>2.18</b>	<b>6.65</b>	7.43
<b>6. Construction</b>	<b>9.76</b>	<b>10.06</b>	<b>10.47</b>	<b>9.13</b>	<b>8.08</b>	8.94
<b>C. Services</b>	<b>6.37</b>	<b>6.55</b>	<b>6.88</b>	<b>3.93</b>	<b>5.73</b>	6.31
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	<b>8.22</b>	<b>8.74</b>	<b>8.85</b>	<b>3.21</b>	<b>7.64</b>	8.72
<b>8. Transportation and storage</b>	<b>6.13</b>	<b>6.74</b>	<b>7.01</b>	<b>1.73</b>	<b>4.04</b>	5.70
a) Land Transport	6.53	7.08	7.42	1.74	4.68	5.99
b) Water transport	1.07	1.55	1.45	0.75	1.80	1.41
c) Air transport	12.61	9.78	7.08	1.29	-2.00	2.86
d) Warehousing and support activities	6.35	9.10	8.76	3.42	-4.99	8.11
e) Postal and courier activities	3.23	5.44	4.48	2.07	3.34	1.66
<b>9. Accommodation and food service activities</b>	<b>5.39</b>	<b>5.52</b>	<b>5.64</b>	<b>1.69</b>	<b>4.53</b>	5.59
<b>10. Information and communication</b>	<b>8.35</b>	<b>6.77</b>	<b>7.36</b>	<b>6.57</b>	<b>7.11</b>	6.15
<b>11. Financial and insurance activities</b>	<b>5.30</b>	<b>6.94</b>	<b>8.25</b>	<b>4.72</b>	<b>5.82</b>	7.60
a) Monetary intermediation (Banks)	5.23	7.41	8.62	4.94	5.96	7.97
b) Insurance	2.07	3.04	4.54	2.16	3.22	3.95
c) Other financial auxiliaries	11.86	6.46	8.59	5.38	7.48	7.49
<b>12. Real estate activities</b>	<b>3.33</b>	<b>3.48</b>	<b>3.61</b>	<b>3.68</b>	<b>3.42</b>	3.66
<b>13. Professional, scientific and technical activities</b>	<b>3.97</b>	<b>4.08</b>	<b>4.17</b>	<b>3.38</b>	<b>5.09</b>	4.25
<b>14. Administrative and support service activities</b>	<b>6.40</b>	<b>7.74</b>	<b>8.17</b>	<b>6.33</b>	<b>6.02</b>	5.48
<b>15. Public administration and defence; compulsory social security</b>	<b>11.23</b>	<b>8.67</b>	<b>6.49</b>	<b>5.49</b>	<b>6.05</b>	4.02
<b>16. Education</b>	<b>5.95</b>	<b>5.89</b>	<b>7.06</b>	<b>5.33</b>	<b>5.81</b>	6.23
<b>17. Human health and social work activities</b>	<b>10.33</b>	<b>9.20</b>	<b>12.2</b>	<b>10.7</b>	<b>10.6</b>	9.78
<b>18. Arts, entertainment and recreation</b>	<b>4.98</b>	<b>5.24</b>	<b>5.48</b>	<b>5.43</b>	<b>5.76</b>	6.07
<b>19. Other service activities</b>	<b>3.14</b>	<b>3.22</b>	<b>3.27</b>	<b>3.06</b>	<b>3.08</b>	3.19
<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>	7.30
Tax less subsidy	7.64	6.75	4.94	-3.65	5.33	5.88
<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>	7.25

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 2.20 percent in FY 2021-22, which was 3.17 percent in previous fiscal year. During this period among the 4 sub-sectors of broad agriculture sector the growth rate of crops & 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 2021-22 has been set at 465.83 lakh metric tonnes (MT), which was 443.56 lakh MT in previous fiscal year. Rice production target in FY 2021-22 is 394.81 (Aus 34.84 Aman 150.47 and Boro 209.51) lakh MT. Besides, wheat production and maize production target in FY 2021-22 has been set at 12.26 lakh MT and 58.75 lakh MT. According to the estimate of the Department of Fisheries (DoF), the total fish production in FY 2021-22 is expected to be 46.64 lakh MT (inland fish production 39.63 lakh MT and marine fish production 7.01 lakh MT), which was 46.21 lakh MT (inland fish production 39.40 lakh MT and marine fish production 6.81 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. As per provisional estimate, the growth in industry sector will stand 10.44 percent

In FY 2020-21, the growth in the mining and quarrying sector of broad industry sector increased to 6.46 percent from 3.16 percent compared to the previous fiscal year. Growth in this sector is provisionally estimated to shrink (-1.94%) in the current fiscal year. Growth in the

manufacturing sector has increased from 1.68 percent in FY 2019-20 to 11.59 percent in FY 2020-21. Among them, growth in large scale industries will be 12.87 percent, growth in small, medium and micro scale industries will be 11.71 percent and growth in cottage industries will be 11.75 percent.

According to the ‘Quantum Index of Medium and Large Scale Manufacturing Industry’ (Base Year: 2005-06), the average general index of industrial production (large and medium scale manufacturing ) increased by 18.52 percent to 507.65 point during July-December of FY 2021-22 over that of FY 2020-21). During the period, the growth in the indices for garments, textile and leather and leather product are 33.91 percent, 24.13 percent and 43.71 percent respectively.

Among the sectors of broad industry sector, the growth rate of ‘electricity, gas steam and air conditioner’ decreased compared to the previous fiscal year. On the other hand, ‘water supply, sewerage and waste management’ and construction sector has increased comparatively.

## **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 2021-22 growth rate in broad service sector is increased by 1.80 percentage point to 5.73 percent as compared to 3.93 percent in the previous fiscal year. All sectors/subsectors of the service sector of the economy exhibited the positive growth in the current fiscal year compared with the previous fiscal year. Some of the sectors are: wholesale and retail trade (8.72%), financial and insurance activities (7.60%), human health and social work activities (‘9.78%), information and communication (6.15%), education (6.23%), arts, entertainment and recreation (6.07%), transportation and storage (5.70%).

### Sectoral Shares in GDP at Constant Prices

According to data, the share of the agriculture sector in GDP at constant prices stood at 11.50 percent in FY 2021-22, from 12.07 percent in FY 2020-21.

During FY 2021-22, within the broad industry sector, contribution of ‘mining and quarrying’ sector slightly decreased to 1.74 percent from 1.91 percent in FY 2020-21. During the same period, contribution of ‘manufacturing’ and ‘construction’ sectors expanded to 24.45 percent and 9.55 percent of GDP respectively in FY 2021-22 compared to the previous fiscal year. The share of broad industry sector reached 37.07 percent in FY 2021-22 from 36.01 percent in FY 2020-21.

In FY 2021-22, the share of broad service sector in GDP stood at 51.44 percent, from 51.92 percent in previous year. Within the broad service sector, the contribution of wholesale and retail trade sector (15.26%) was the highest. Also real estate activities (8.10%) was the second highest and transport, storage was (7.33%) the third highest contributors of GDP. Next positions are Public administration and defence (3.42%), human health and social work activities (3.39%) and financial and insurance activities (3.23%). Table 2.4 shows the sectoral share of GDP at constant prices during FY 2015-16 to FY 2021-22.

**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*
<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>11.50</b>
<b>1. Agriculture, forestry and fishing</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>11.50</b>
a) Crops & horticulture	6.96	6.68	6.39	6.04	5.96	5.70	5.37
b) Animal Farmings	2.35	2.26	2.17	2.07	2.06	1.98	1.90
c) Forest and related services	1.87	1.84	1.81	1.76	1.78	1.75	1.71
d) Fishing	2.89	2.84	2.77	2.70	2.71	2.64	2.51
<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>37.07</b>
<b>2. Mining and quarrying</b>	<b>1.66</b>	<b>1.83</b>	<b>1.87</b>	<b>1.93</b>	<b>1.91</b>	<b>1.91</b>	<b>1.74</b>
a) Natural gas and crude petroleum	0.58	0.54	0.50	0.46	0.43	0.40	0.36
b) Other mining & coal	1.09	1.29	1.36	1.46	1.49	1.51	1.39
<b>3. Manufacturing</b>	<b>21.25</b>	<b>21.36</b>	<b>21.98</b>	<b>22.86</b>	<b>22.40</b>	<b>23.36</b>	<b>24.45</b>
a) Large Industry	11.13	10.93	11.31	11.81	11.43	11.81	12.43
b) Small, Medium and Micro Industry	6.50	6.71	6.95	7.11	7.04	7.49	7.80
c) Cottage Industry	3.63	3.72	3.73	3.94	3.94	4.06	4.22
<b>4. Electricity, gas, steam and air conditioning supply</b>	<b>1.24</b>	<b>1.24</b>	<b>1.25</b>	<b>1.26</b>	<b>1.22</b>	<b>1.25</b>	<b>1.23</b>
a) Electricity	0.92	0.94	0.96	0.98	0.97	1.01	1.01
b) Gas	0.31	0.30	0.29	0.27	0.25	0.24	0.22
<b>5. Water supply; sewerage, waste management and remediation activities</b>	<b>0.11</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>
<b>6. Construction</b>	<b>8.19</b>	<b>8.44</b>	<b>8.65</b>	<b>8.85</b>	<b>9.31</b>	<b>9.40</b>	<b>9.55</b>
<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>51.44</b>
<b>7. Wholesale and retail trade; repair of motor vehicles and motorcycles</b>	<b>14.52</b>	<b>14.52</b>	<b>14.75</b>	<b>14.94</b>	<b>15.05</b>	<b>15.06</b>	<b>15.26</b>
<b>8. Transportation and storage</b>	<b>7.95</b>	<b>7.92</b>	<b>7.88</b>	<b>7.80</b>	<b>7.65</b>	<b>7.44</b>	<b>7.33</b>
a) Land Transport	6.89	6.89	6.87	6.84	6.70	6.56	6.48
b) Water transport	0.65	0.62	0.58	0.55	0.53	0.51	0.48
c) Air transport	0.08	0.09	0.09	0.09	0.09	0.08	0.08
d) Warehousing and support activities	0.28	0.28	0.28	0.28	0.28	0.25	0.25
e) Postal and courier activities	0.05	0.05	0.05	0.04	0.04	0.04	0.04
<b>9. Accommodation and food service activities</b>	<b>1.20</b>	<b>1.19</b>	<b>1.17</b>	<b>1.14</b>	<b>1.12</b>	<b>1.09</b>	<b>1.08</b>
<b>10. Information and communication</b>	<b>1.25</b>	<b>1.27</b>	<b>1.26</b>	<b>1.26</b>	<b>1.29</b>	<b>1.29</b>	<b>1.28</b>
<b>11. Financial and insurance activities</b>	<b>3.27</b>	<b>3.24</b>	<b>3.22</b>	<b>3.23</b>	<b>3.26</b>	<b>3.22</b>	<b>3.23</b>
a) Monetary intermediation (Banks)	2.77	2.73	2.73	2.75	2.78	2.75	2.77
b) Insurance	0.32	0.31	0.29	0.28	0.28	0.27	0.26
c) Other financial auxiliaries	0.19	0.20	0.20	0.20	0.20	0.20	0.20

Industrial origin sector	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
12. Real estate activities	9.69	9.39	9.06	8.69	8.68	8.39	8.10
13. Professional, scientific and technical activities	0.20	0.19	0.19	0.18	0.18	0.18	0.17
14. Administrative and support service activities	0.72	0.72	0.72	0.72	0.74	0.73	0.72
15. Public administration and defence; compulsory social security	0.36	3.51	3.55	3.50	3.56	3.52	3.42
16. Education	2.74	2.73	2.69	2.67	2.71	2.68	2.65
17. Human health and social work activities	2.75	2.84	2.89	3.01	3.21	3.32	3.39
18. Arts, entertainment and recreation	0.15	0.15	0.15	0.14	0.15	0.14	0.14
19. Other service activities	5.69	5.51	5.30	5.07	5.03	4.85	4.66
<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>

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 2021-22. Figure 2.2 shows

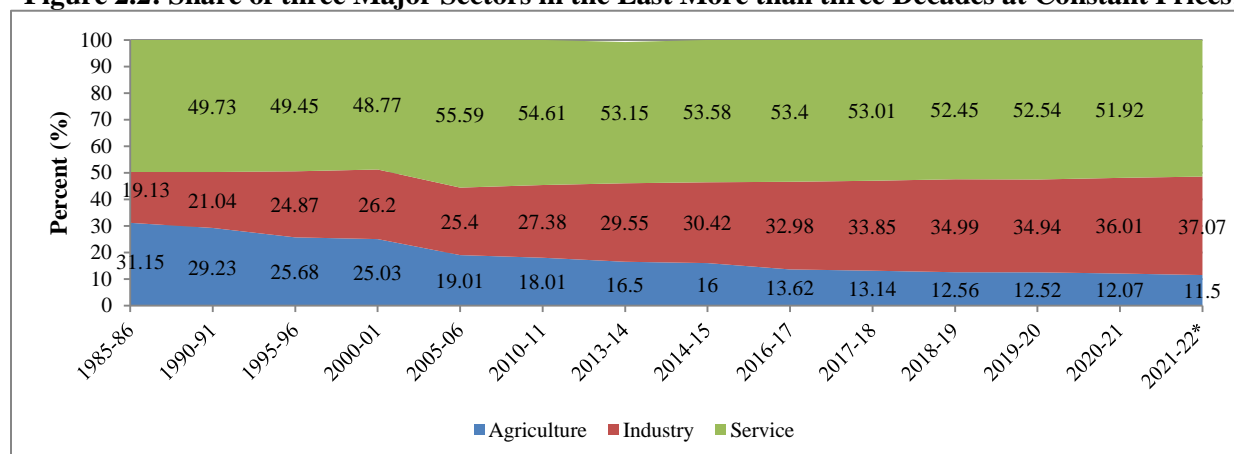
that contribution of service sector was nearly 50 percent of GDP before FY 2005-06. Contribution of this sector rose at 55.59 percent in FY 2005-06. In recent time this contribution is near about 51 to 53 percent.

**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*
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	11.50
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	37.07
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	51.44
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
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	2.20
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	10.44
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	6.31
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	7.30

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 and expenditure is presented in Table 2.6 and Table 2.7. According to the provisional data on the expenditure side, consumption increased to 78.44 percent of GDP in FY 2021-22 from 74.66

percent in FY 2020-21, with a significant contribution of private sector. On the other hand, gross domestic saving decreased to 21.56 percent of GDP in FY 2021-22; which was 25.34 percent in preceding fiscal year. Moreover national saving also decreased to 25.45 percent in FY 2021-22 from 30.79 percent in FY 2020-21.

**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*
<b>1. Domestic Demand [(2)+(3)]</b>	2137463	2414516	2781013	3108721	3304591	3730591	4378847
<b>2. Consumption</b>	1509739	1695216	1941136	2157955	2311982	2635572	3118965
i. Private	1387986	1555239	1783859	1973840	2122667	2427900	2893571
ii. Public	121753	139978	157277	184116	189315	207672	225398
<b>3. Investment</b>	627723	719300	839877	950765	992609	1095019	1259882
i. Private	492056	549942	658334	745228	761407	836682	956854
ii. Public	135668	169358	181542	205538	231202	258337	303028
<b>4. Net Export</b>	-72482	-101345	-189104	-159039	-170757	-225877	-430361
<b>5. Gross Domestic Expenditure (GDE)</b>	2064980	2313171	2591909	2949682	3133834	3504714	3948486
<b>6. Gross Domestic Product (GDP)</b>	2075821	2324307	2639248	2951429	3170469	3530185	3976462
7. Statistical Discrepancy	10841	11136	47339	1747	36636	25471	27976

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

Investment (Gross Fixed Capital Formation) decrease 0.9 percentage point of GDP in FY 2019-20, compared to the pre-pandemic investment of 32.21 percent in FY 2018-19. Investment further decelerated slightly to 0.29 percentage point of GDP to 31.02 percent in FY 2020-21. According to provisional estimate, the total investment rose to 31.68 percent of GDP in

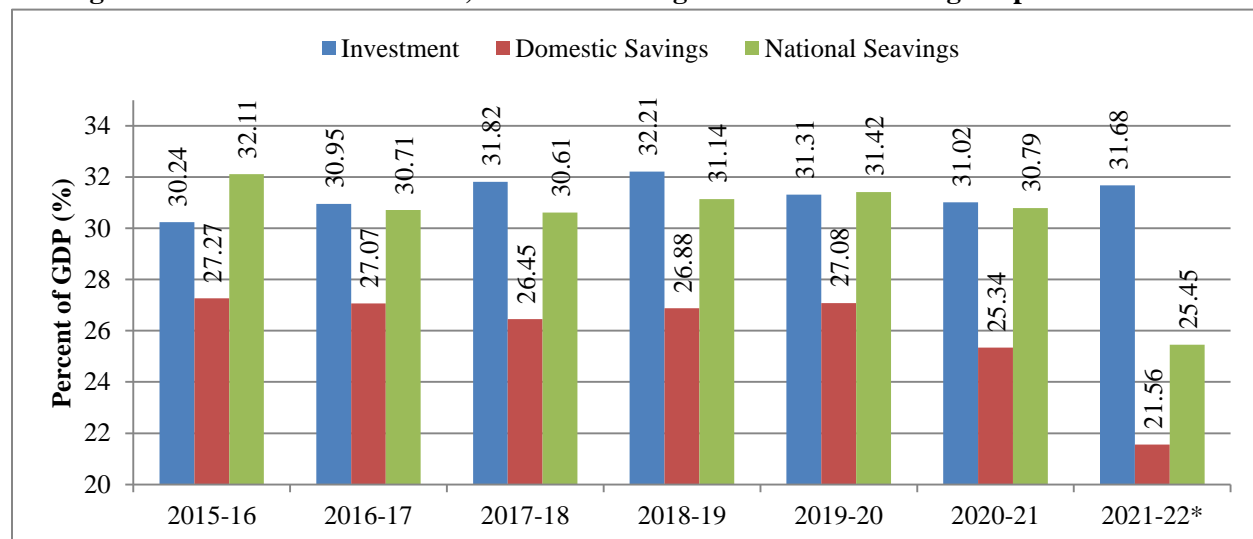
FY 2021-22. Of them private sector investment increased to 24.06 percent of GDP compared to 23.70 percent of previous fiscal year. The public sector investment also rises to 7.62 percent of GDP from 7.32 percent compared to the previous fiscal year. In absolute term, amount of investment stood at Tk. 12,59,882 crore in FY 2021-22, up by 15.06 percent from Tk. 10,95,019 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*
<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>78.44</b>
i. Public	66.86	66.91	67.59	66.88	66.95	68.78	72.77
ii. Private	66.86	66.91	67.59	66.88	66.95	5.88	5.67
<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>31.68</b>
i. Public	23.70	23.66	24.94	25.25	24.02	23.70	24.06
ii. Private	6.54	7.29	6.88	6.96	7.29	7.32	7.62
<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>21.56</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>25.45</b>

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

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

\*Provisional.