**~~a slowdown of investmenmts. In FY24, growth~~ *~~Private sector credit growth also~~*** *slowed, indicating* is projected to slow further to 5.6 percent, before improving marginally to 5.7 **percent in FY25. Thus,** in the short expected to remain below the average annual growth rate of 6.6 percent experienced In the fiscal year 2023, real GDP growth slowed to 5.8 percent, led by weakening private consumption and over the decade preceding the COVID-19 pandemic. With right policy actions, growth is expected to accelerate FY26 onwards.

Inflation continues to erode consumer purchasing power, impacting the poor people the most. Several factors contributed to elevated inflation, including shortages of foreign exchange resulting in reduction of key imports, depreciation of the taka against the US dollar,  energy shortages and increased power prices. To keep inflation in check, Bangladesh Bank continued to tighten monetary policy in early FY24.