Bangladesh received $1.56 billion in remittance in February

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Online Desk: Bangladesh received inward remittance of $1.56 billion in February, which was $1.95 billion in January. Though the inward remittance flow decreased in February compared to January, the overall remittance flow rose in the first eight months of the current fiscal year. According to Bangladesh Bank (BB) in the first eight months Bangladesh received $14.01 billion in remittance, which is $574.86 million more than the same period of last fiscal year. In FY 2021-22, Bangladesh received $13.43 billion in remittances in the first eight months.

The foreign exchange markets of Bangladesh are being stable thanks to remittance inflow, and the forex reserves of Bangladesh bank stood at $32.3 billion on March 1, 2023. The expatriates, freelancers, and skilled professionals of Bangladeshi have contributed to the country by earning foreign exchange while the central bank struggling with LC liabilities to import essential commodities and industrial raw materials, the sector insiders say. Bank officials said many import payments are being deferred due to the dollar crisis. For this, dollars coming from expatriates are being bought at a higher price than the fixed rate. As a result, expatriate income increased. If the price limit of the dollar is removed, the crisis will go away, they say.

Bangladesh Bank spokesperson Mesbaul Haque told UNB that in order to increase remittance inflow, the central bank has increased the exchange rate of US dollars for remittance. In addition to a 2.5 percent hassle-free incentive for remittance, several banks also provide additional incentives to attract foreign exchange, he said.

Banks will not cut any charge or fee for sending remittances through legal channels, he said. Bangladesh Bank says that more than 40 percent of remittance of expatriate income is sent to the country through hundi.