

BD's GDP to keep rising over exports, stimulus, global recovery : ADB

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Asian Development Bank

Dhaka : Bangladesh, which weathered the pandemic better than most economies in South Asia, will continue to grow strongly as exports pick up. The country's GDP growth is projected to accelerate 6.8 per cent in FY2021 with stimulus package implementation and recovery in global growth and world trade, the Asian Development Bank said in its Asian Development Outlook report on April 28.

In FY2022, GDP growth is expected to edge up further to 7.2 per cent as both exports and imports pick up under sustained global recovery.

"Continuing strong remittances will underpin growth in private consumption, and private investment will accelerate on favourable global economic conditions and efforts to improve the business climate," the ADB said, according to reports.

Growth will continue to strengthen gradually in South Asia's other economies.

By the region, South Asia will record the fastest economic recovery this year, with the ADB predicting an expansion of 9.5 per cent after a 6 per cent contraction in 2020, buoyed by India's economic revival.

Even as the coronavirus crisis in India remained grim, ADB's 11 per cent growth forecast for the South Asian country this year, which follows an 8 per cent slump in 2020, is "achievable at this stage", said ADB Chief Economist Yasuyuki Sawada.

Developing Asia's economic rebound this year could be stronger than previously

thought, the ADB said, underpinned by expectations of solid global recovery and progress on vaccines. But the Manila-based lender was quick to caution that risks to its forecasts were skewed more to the downside because new outbreaks and delays in vaccine rollout could prolong disruptions to mobility and stall regional economic activity.

Developing Asia, which groups 45 countries in the Asia-Pacific, is forecast to grow 7.3 per cent in 2021, the ADB said, stronger than its previous estimate of 6.8 per cent and follows a 0.2 per cent contraction last year. For 2022, the region is projected to grow 5.3 per cent.

"Growth is gaining momentum across developing Asia, but renewed Covid-19 outbreaks show the pandemic is still a threat," said Sawada. Geopolitical tensions, political turmoil, production bottlenecks, financial turmoil and long-term scarring effects of learning losses from school closures due to the pandemic also threaten recovery, Sawada said in a separate briefing.