**FINANCE**| ANALYSis

**This chapter presents Money Supply, People’s Savings, Treasury Bonds, Domestic Interest Rates, International Currency Exchange, Equity and Debt Securities Trading, Customs Duties and Revenue from Taxes.**

**The total money supply, including transferable deposits in foreign banks, increased 37.53% in 2020-2021 compared to the previous year. However, People’s savings decreased, with over 70% all savings were deposited at private banks. In June 2022, the total sales of government bonds via auction was 141,030 million kyats and the total value of outstanding was 10,431,310 million kyats. In June 2022, the exchange rate was 1,850.00 kyats per one US dollar.**

**The total equity securities trading decreased 72.66% in terms of value and decreased 73.14% in terms of volume(shares) in 2021-2022 compared to the previous year. Debt securities trading i.e the net trading of government treasury bonds and bills through securities companies at the secondary market decreased 84.34% and 3.49% respectively in 2021-2022 compared to the previous year.**

**Revenue from Customs duties increased 8.15% in 2021-2022 compared to the previous year. Revenue from income taxes was 44.78% of the total revenue from taxes in 2021-2022.**

**◼MONEY SUPPLY**

The total money supply in the country increased by 37.53% in 2020-2021 compared to the previous year. State owned banks held 30.21% of total transferable deposits in 2019-2020 and 25.89% in 2020-2021 respectively. Over the same period, total of transferable deposits have increased in 2020-2021. Transferable deposits in state owned banks increased by 12.97% and Currency outside depository corporations also increased by 40.08% in 2020-2021.

**◼PEOPLE’S SAVINGS**

In 2020-2021, total people’s savings decreased by 1.86% compared to the previous year. Private banks held a majority of total savings deposits, 69.42% in 2019-2020 and 68.96% in 2020-2021; as well as a majority of time deposits, 87.18% in 2019-2020 and 86.50% in 2020-2021. People’s savings at private banks are higher than state owned banks. Savings deposits were the most popular savings instruments in 2020-2021.

**◼TREASURY BONDS**

Fiscal year 2020-2021, the value of total sales decreased 71.07% compared to the previous year. At the time of auction in June 2022, the total sale of government treasury bond was 141,030 million kyats.

**◼DOMESTIC INTEREST RATES**

According to the directive of Central Bank of Myanmar 8/2020, the interest rates of Myanmar were reduced from 6.5% to 5.0% per annum for minimum deposit interest rate, from 11.5% to 10.0% per annum for Maximum bank lending rate for secured loans,14.5% for unsecured loans and from 8.5% to 7.0% per annum for Central Bank rate. This directive was affected from 1st May 2020.

**◼INTERNATIONAL CURRENCY EXCHANGE**

The value of currency kyat was slightly depreciated onto the hard currency US$ between June 2021 and September 2021. However, It was remained the same with 1,778.00 kyats per one US dollar between December 2021 and March 2022. In June 2022, the exchange rate was 1,850.00 kyats per one US dollar.

**◼EQUITY AND DEBT SECURITIES TRADING**

Securities trading can be divided into two categories: equity securities trading and debt securities trading. Total value of equity securities trading and total volume of equity securities trading decreased by 72.66% and 73.14 % respectively in 2021-2022. The value of equity securities trading of listed stocks, MCB incresed 17.16% compared to the previous year and The value of equity securities trading of listed stocks, FMI, MTSH, FPB, TMH and EFR decreased 43.56%, 80.63%,79.38%, 68.31% and 81.56% respectively compared to the previous year. The volume of equity securities trading of listed stock, MCB increased 23.08% compared to the previous year and The volume of equity securities trading of listed stocks, FMI, MTSH, FPB, TMH and EFR decreased 34.78%, 77.78%, 76.87%, 67.41% and 81.82% respectively compared to the previous year. Debt securities trading i.e the net trading of government treasury bonds and bills through securities companies at the secondary market decreased 84.34% and 3.49% respectively in 2021-2022 compared to the previous year.

**◼REVENUE FROM TAXES**

The total revenue from taxes decreased by 2.59% between 2020-2021 and 2021.2022.The taxes collected on local production and consumption of the public increased by 8.67% between 2020-2021 and 2021-2022.

**◼CUSTOMS DUTIES**

Import duties are divided into two parts: normal and border trade. Normal trade duty is by far the larger one: the share of normal trade was 81.35% in 2020-2021 and 77.08% in 2021-2022. Total duties have increased 8.15% between 2020-2021 and 2021-2022.