

RECENT OIL PRICE CHANGES AND ITS IMPACTS ON MACROECONOMIC BALANCE: A STUDY IN THE CONTEXT OF BANGLADESH

Mohammad Nayeem Abdullah ¹ & Rahat Bari Tooheen ²

^{1&2}Assistant Professors, School of Business, Chittagong Independent University,16
Jamal Khan Road, Chittagong – 4000, Bangladesh.

ABSTRACT

Over the past few years, following the increase in oil prices, a corresponding global surge in prices has been observed in basic necessities needed for the maintenance of living standards. In developing countries such as Bangladesh economic progress was stunted due to rising oil prices directly translating to hyperinflation. Oil price rise in some highly developed countries remain with limited effect without affecting staple food commodities and basic necessities of life. The present article attempts to establish a link between the recent oil price increases with the macro economic outlook of Bangladesh and forwards a number of recommendations for long term consideration by the relevant stakeholders.

KEYWORDS: Bangladesh, macroeconomic, oil prices, outlook, balance.