



**Financial Diaries: Financial Health of
Low and Medium-Income Households
during COVID-19 Pandemic**

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GLOSSARY

| | |
|----------------------------|---|
| Financial Diaries | Financial Diaries are one of the innovative research methods to track the cash and non–cash monetary inflows/outflows of an individual or household in order to better understand their economic behaviour. |
| Cash inflow | Cash inflow is the money coming into a business/household. That could be from sales, investments or financing, salary or other sources. |
| Cash outflow | Cash outflow is the money going out of the business/household. It could be for business investment, operating activities or different kind of household expenses. |
| Cash Deficit | The excess of cash outflow over cash inflow in any given period |
| Transaction | It is an event of all the buying and selling of tangible or intangible things. |
| Expenditure | An expenditure represents a payment with either cash or credit to purchase goods or services |
| Income | Income is money or the equivalent value that an individual or business receives, usually in exchange for providing a good or service or through investing capital. |
| Mobile money | Mobile money is a technology that allows people to receive, store and spend money using a mobile phone. It's sometimes referred to as a 'mobile wallet'. |
| Financial Inclusion | Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way. |

ACRONYMS

| | |
|------------|-------------------------------------|
| IGA | Income Generating Activities |
| RMG | Readymade Garments |
| DFS | Digital Financial Services |
| HH | Household |

EXECUTIVE SUMMARY

On 8 March 2020, the first three cases of COVID–19 were detected in Bangladesh. Things have steadily worsened since then. Suddenly life became uncertain as many people lost their jobs, lost their family members who were the primary earners but the only thing that remained unchanged is HOPE. Hope to recover and combat the way low–income people always do in every part of their lives. This time, it was not only low–income generating population but also the moderate income generating people who were affected too. In order to understand how low and moderate income people are doing, BRAC Microfinance conducted a research on the Financial Diaries of 273 households from different earning categories. The study collected data on all transactions made by these households over a two–week period in order to understand the financial transactions of households and their vulnerability.

In this study, total 16,803 transactions were recorded amongst all respondents. 80% of the total transactions were on their spending and 20% were on their earnings. Respondents from all professions were selected and categorised into nine sectors based on major occupational groups working in the economy of Bangladesh.

The study shows how many sources of income each household has and how much more it needs to rely on to meet its' wellbeing needs at the end of the day. For example, RMG workers have the highest source of income and the poultry and livestock business has the lowest source of income in the household. Formal employees have more loans and farmers are least likely to have multiple loans compared to other professions. The study also looked at household saving patterns. For example, formal employees have the highest share of savings and informal workers have the lowest. The study observed that the total number of transactions came mostly from expenditures, where a major transaction was buying food for family members. Apart from that, a big portion of the household expenditure was made for paying off formal or informal debts. Transactions were categorised to understand the pattern of the inflows and outflows and visualise the vulnerability. We have also emphasised on the mobile money penetration of the households which was related to getting financial aids through DFS by government and institutions.

INTRODUCTION

The Financial Diaries research methodology is primarily used by researchers to understand the financial behavior of households. BRAC sought to identify the crisis households were experiencing during the pandemic and the support they needed in such a situation which no one had ever experienced.

The primary purpose of the study was to understand the vulnerability of households and to help them using the right tool. In the research methodology, we randomly selected 273 BRAC beneficiaries' households from all over Bangladesh with different occupational split where microfinance data collectors (Sector Specialists) called them on a daily basis to record their transactions. In order to maintain social distancing due to pandemic we chose to adopt "Over The Phone Survey" to collect data. With the consent of the client and the main income earner of the households, sector specialists recorded all the transaction details from the female counterpart of the family. The main income earner's consent was essential for this study as female counterparts may not be aware of all the financial transactions being made in the businesses and household by the male members of the family unless it is shared with her.

Sector specialists first conducted a baseline survey which covered estimated monthly household income and expenditures, financial inclusions, mobile money penetration, savings and further information about household members. They also recorded primary and secondary income ratio in the households.

A quantitative analytics model was developed using the data to understand the transaction model. It also enabled us to understand households' priority transactions and their crisis during the pandemic.

The report is organised into three sections. The first section provides a brief overview of the study, where we discussed the methodology and sampling design. The second section will drill down into the profiles which we divide into nine different occupations. We developed their income and expenditure model, main household inflows and outflows, financial inclusion rate, savings and DFS penetration. The third section will give us a complete comparative insights and implications of all occupations taken for the study. We used the exchange rate of 1 USD = BDT 85.

STUDY OVERVIEW

METHODOLOGY

The study was done through “Financial Diary” which is known as a way to get a systematic view into the financial lives of low income families, most of whom were outside the formal banking system.

The study offers insight with a combination of data and stories, into the ways in which households’ financial positions over time, and how peoples’ financial choices influence and are influenced by pandemic. Deep and ongoing engagement between data collectors (Sector Specialists) and participating households is an important part of the Financial Diaries methodology. Data collectors were able to build trusted relationships with households, which in turn allowed them to ask about personal details that are key inputs to understanding the data.

SAMPLE

The main priority was to achieve a representation of professions in the Bangladeshi economy that reflected low– and moderate–income people. We selected samples from all geographic divisions of Bangladesh that included a variety of occupations with rural and urban backgrounds. To achieve rural and urban division, we designed to take respondents from sub–districts and districts so that we could obtain varieties of transactions are made by households.

BRAC Microfinance sector specialists randomly selected individuals with well–defined employment backgrounds. Verbal consent was taken from respondents because it was challenging to physically meet and obtain consent due to ongoing social distancing. With proper consent from the respondents, sector specialists agreed upon a specific time with the respondents either in the evening of the existing day or the next morning to get the data from the households.

SAMPLE DETAILS

A total of **273 respondents** were selected from across the country which represents all the geographic divisions of Bangladesh. All the respondents were women and BRAC beneficiaries.

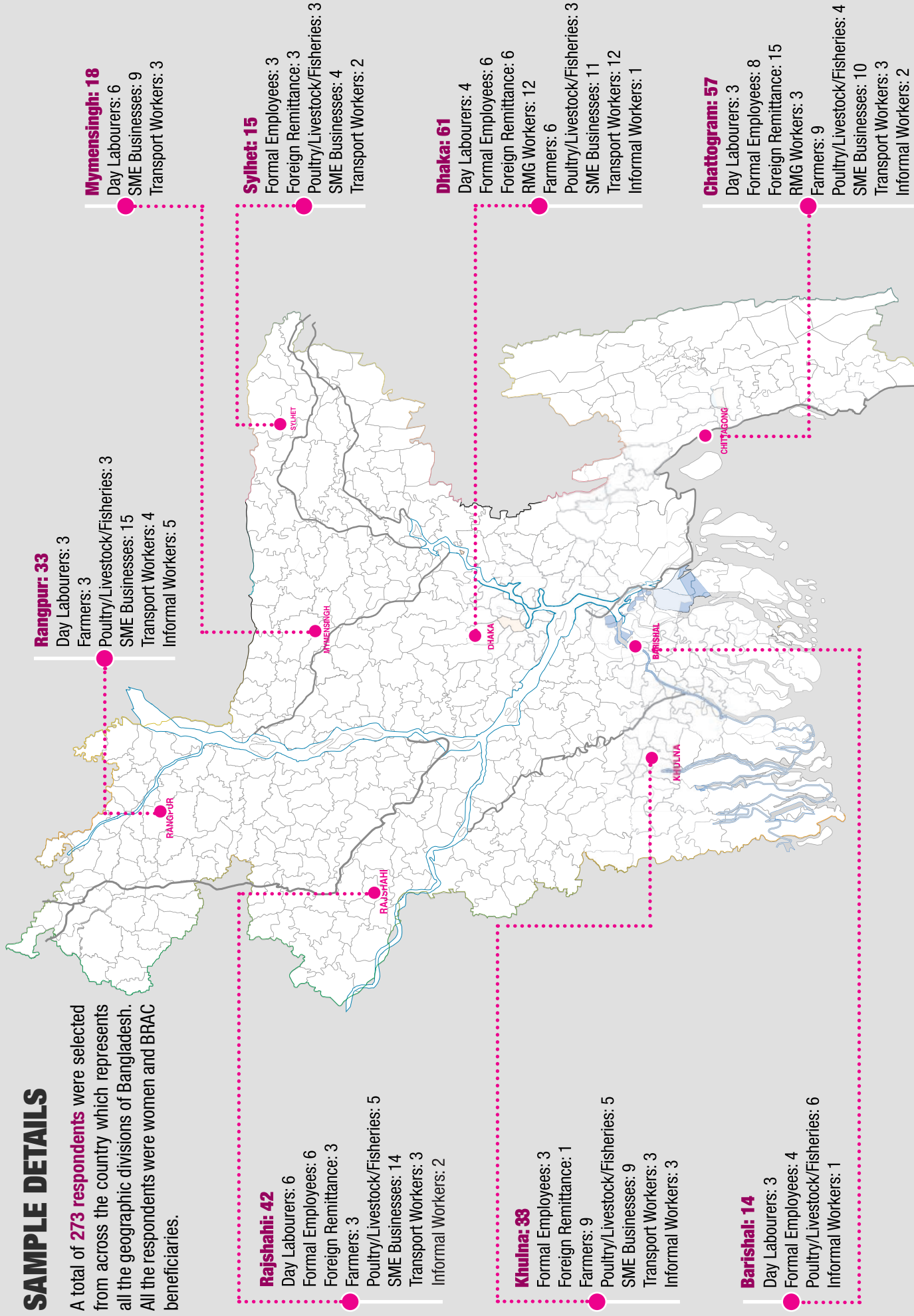


Table 1: Division wise respondent details

HOUSEHOLD SIZE

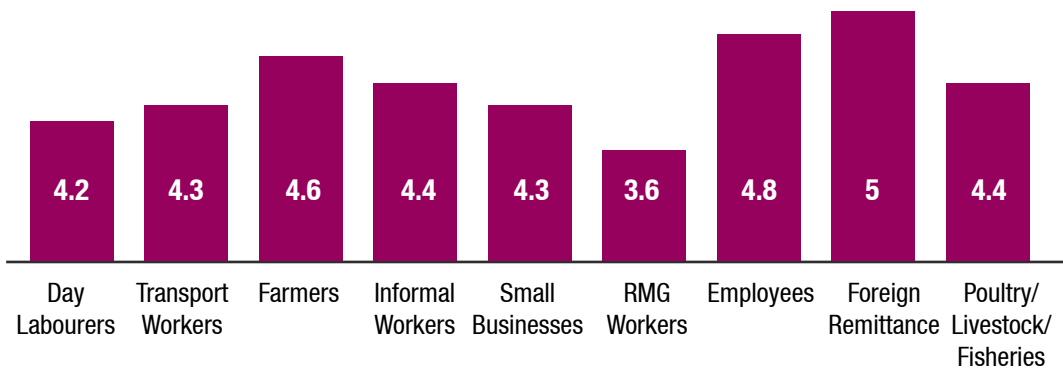


Figure 1: Occupation wise household size

To avail better well-being facilities, household size plays a crucial role and in Bangladesh many households are often not being able to meet all the needs for their well-being due to large household size. At the same time, women often do not participate in income-generating activities due to social barriers. This also forces the household head to stop the education of the male family member and engage them in IGA during their adolescent period. In the chart, the average household size is 4 which is same as the national average. Day labourers, transport workers and informal workers, small business and poultry/livestock businesses have almost similar household size.

RMG workers are having the lowest HH size of 3.6 members and this is very logical as the female counterpart is a working woman and they are very conscious about their income and IGA engagement. The household size of employees and remitters is comparatively higher as their income may also influence this trend.

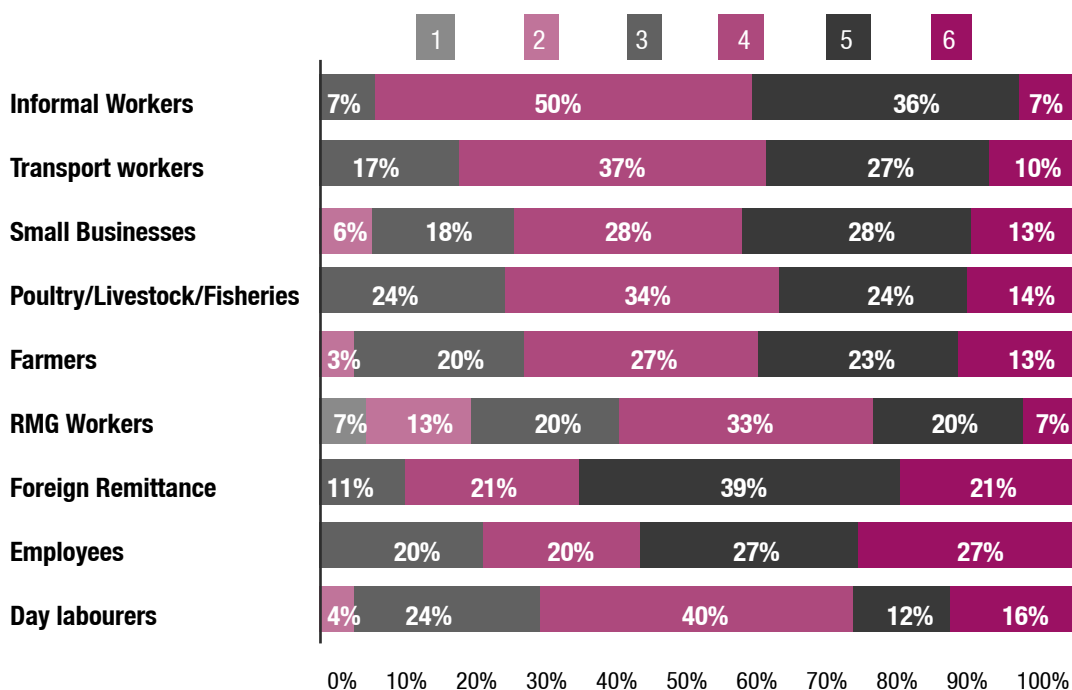


Figure 2: Member wise household pattern

HOUSEHOLD SCENARIO

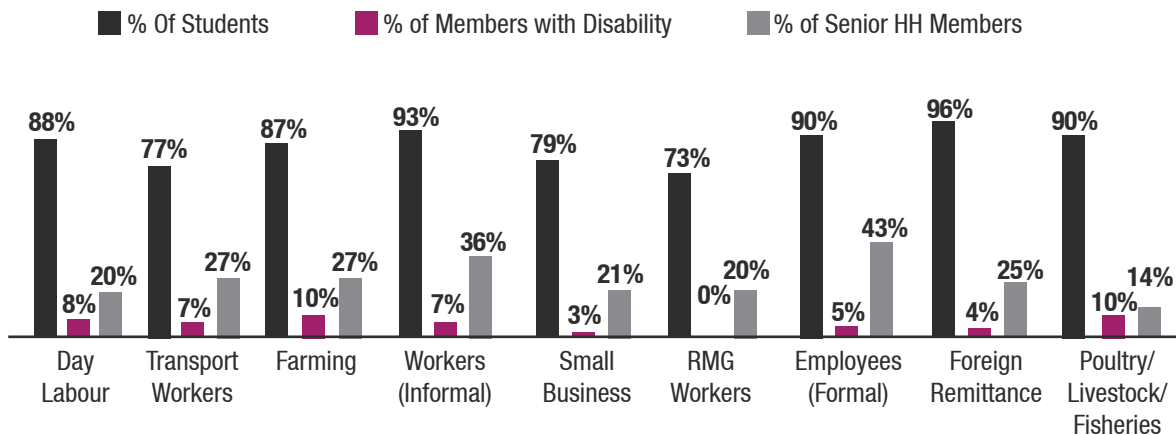


Figure 3: Household scenario

The study also attempted to understand the household pattern before analysing the transactional model. 88% households of day labourers have students in their family, 8% of families have a member with a disability and 20% households have a member above 60 years.

Foreign remittance earners have the most students in the household. Farmers and Poultry & Livestock owners have the largest number of people with disability in the household. Formal and informal workers have the highest number of senior citizens.

WORKING WOMEN RATIO

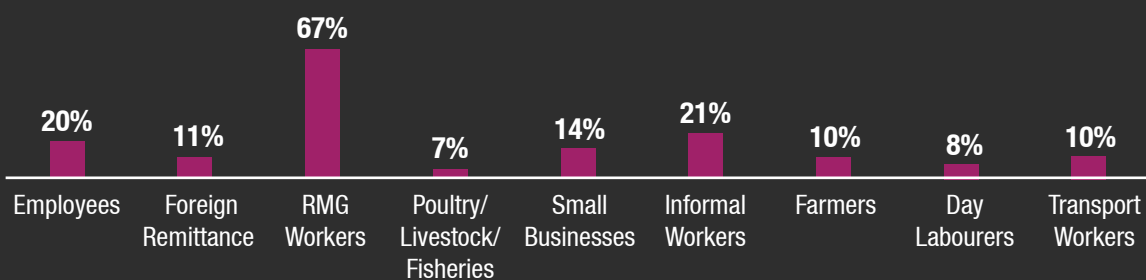


Figure 4: Working women ratio in the household

We tried to look at women's contributions to the family. Of all the categories RMG workers have the highest participation rate of women in the IGA (67%). The male counterpart of these households also works in RMG as opposed to elsewhere. For the rest of households where women are not working, the salary of the primary earner is relatively higher than that of other RMG households. Aside from these, formal and informal workers also have a penetration rate close to 21%. The lowest women IGA penetration has been observed in day labourers and poultry/livestock rearing families. Day labourers have the lowest incomes of the occupations we have selected, and poultry and livestock have the highest income which also justifies the low IGA penetration rate.



PROFILE ONE
DAY LABOUR

(All Agricultural, Non-agricultural Day Labourers)

CASH INFLOW DETAILS

We selected 25 day labourer households from 6 different divisions for the study. This group was also at a high level of vulnerability during the COVID-19 pandemic. Day labourers have weekly cash inflow of USD 65.7 and all the inflows come from different categories/sources.

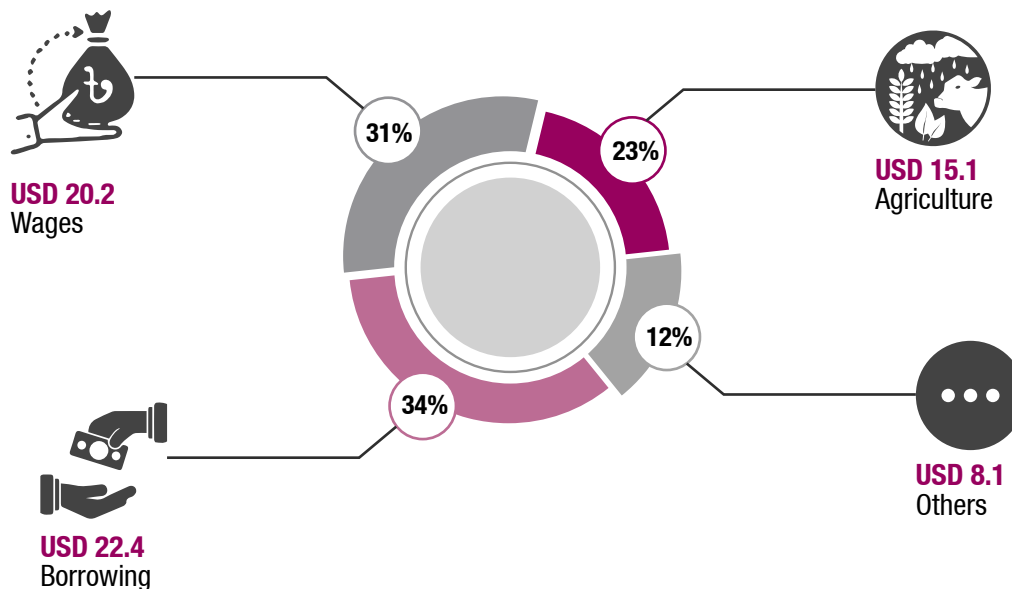


Figure 5: Weekly cash inflow categories

31% (USD 20.2) of the inflows are coming from their wages, 23% (USD 15.1) from agriculture which is a secondary income source for most of the households. Apart from these, they have 12% (USD 8.1) of other inflows coming mainly from scholarships, grants and aid from friends and families. For this group 34% (USD 22.4) which is near about one third of their inflows depend on borrowing from both formal and informal sectors.

CASH OUTFLOW DETAILS

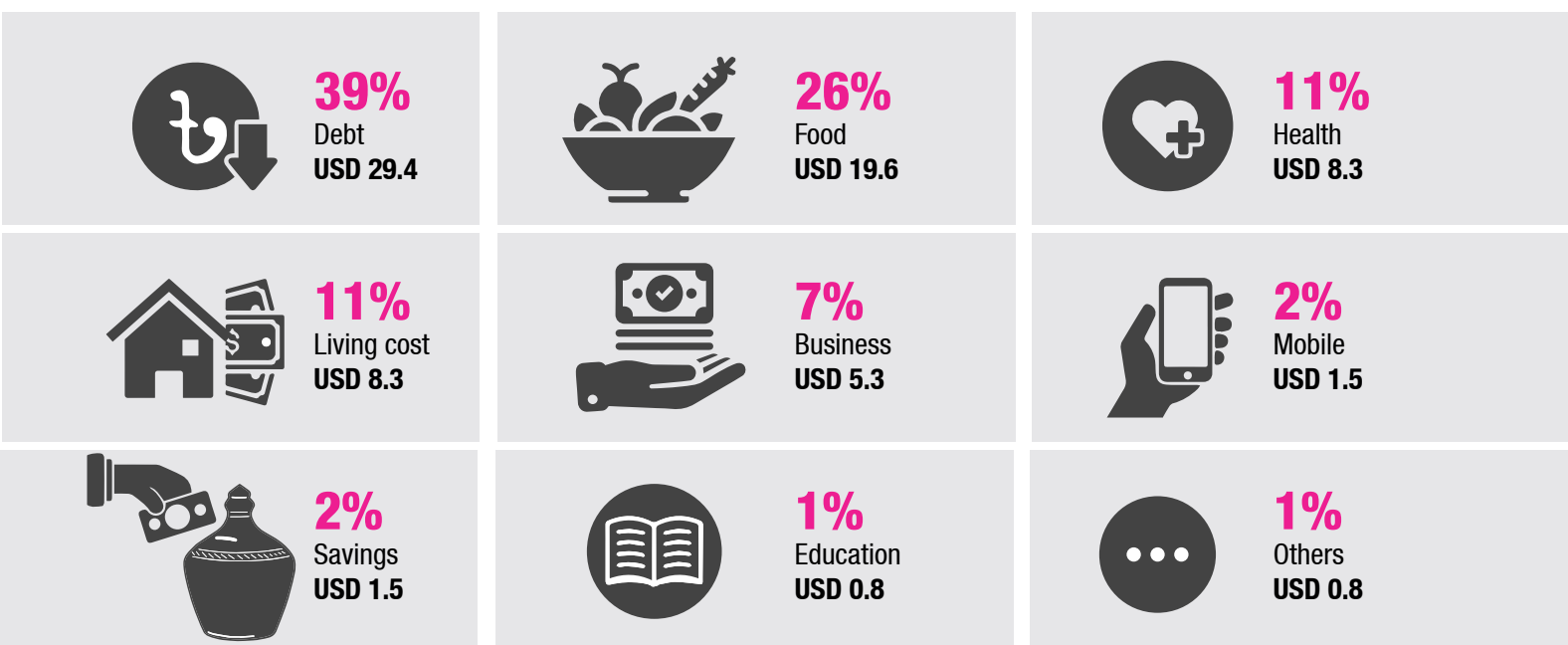


Table 2: Weekly cash outflow categories

These households have an average weekly outflows of USD 75.4 for different purposes. Day labourers spend 39% (USD 29.4) of their total outflows to pay off their debts. 61% of that goes to pay

formal loans and 39% for clearing informal loans taken from friends and families, neighbours and most probably from money lenders with a high interest rate. These households spend 26% (USD 19.6) of their outflows on food. They also spend 11% (USD 8.3) on their health which are mainly medical expenses, hospital bills and the cost of medicines.

As it has been observed that, households make a portion of their inflows from agriculture, they also spend a portion for that purpose too. We have seen households spending 7% (USD 5.3) on business or agriculture which is for hiring equipment, cultivation cost, pesticide purchase, cattle food and livestock medicine purchase. Except that they spend 2% (USD 1.5) on mobile recharge and 1% on education though at that time all institutions were closed. These were largely tuition fees.

Day labourers have 92% single earners in the household which makes them financially vulnerable. When the breadwinner gets sick, the household suffers from uncertainty. Earners manage to cover 52% of household inflows and the rest of the 42% comes from other sources and borrowings.

Higher outflows than inflows force them to enter in a borrowing cycle and they never get over that. 28% of households ended up having several loans because of the scarcity of inflows. We can see that this group of people have higher outflows than their inflows, which puts them into cash deficit. And the deficit represents 13% of their total outflows. Every week, this group faces a deficit of USD 9.6 which they fail to manage from their inflows.

Day Labourers also spends the least for food purposes. It can be lack of affordability. On a daily basis day labourers spend USD 0.7 for food against each member of the household.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | No of Transaction Per HH (weekly) | No. of HH having the Transaction | Volume of Weekly Transaction per HH (USD) |
|-------------------------|-----------------------------------|----------------------------------|---|
| Getting labour cost | 7 | 22 | 21.4 |
| Buying on due | 2 | 11 | 2.1 |
| Income from agriculture | 4 | 7 | 42.0 |
| Loan without interest | 2 | 7 | 19.1 |
| Selling food | 2 | 4 | 2.6 |
| Selling Livestock | 3 | 3 | 5.0 |

Table 3: Weekly cash inflow transactions

To give a better understanding, we have elaborated the main incoming and outgoing cash flows that most households make regularly. Although there were various types of transactions, we selected the most common ones.

On average, households have weekly seven transactions to get their wages, indicates that work every day. Every week they make four transactions of USD 42 of selling agricultural products. Because of their cash shortage, they take two loans from friends/ families of USD 19.1. Besides this, they buy on due twice a week of USD 2.1 which also shows the ultimate crisis of household income.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Average No of Transaction Per HH (weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|--------------------------|---|----------------------------------|---------------------------------|
| Food cost | 8 | 25 | 17.8 |
| Instalment payment | 1 | 13 | 26.4 |
| Medicine cost | 1 | 23 | 5.6 |
| Tobacco/Paan purchase | 6 | 18 | 2.0 |
| Cattle food purchase | 3 | 11 | 5.0 |
| Transport cost | 3 | 21 | 1.8 |
| Mobile recharge | 2 | 20 | 0.8 |
| Toiletries item purchase | 1 | 14 | 0.8 |
| Institutional savings | 1 | 11 | 1.3 |
| House rent | 1 | 1 | 3.0 |

Table 4: Weekly cash outflow transactions

The above table shows that households purchased food of USD 17.8 eight times a week. Households spend USD 26.5 to clear off their debts. They spend USD 5.6 to buy medicines. In addition, they spend USD 2 for tobacco or paan and USD 5 to feed their livestock and pay USD 3 a week for home rent. While the rent is monthly, we have converted it into weekly manner. We noticed only 1 out of 25 families paid USD 13 for rent. After all these deals, they also save USD 1.3 weekly. Households spend USD 1.8 for transport cost and USD 0.8 for mobile recharge on a weekly basis. Day labourers also maintain hygiene and spend USD 0.8 for buying toiletries items mostly soaps and shampoo.



PROFILE TWO TRANSPORT WORKERS

(Drivers/Conductors/Helpers of any transport including rickshaws)

CASH INFLOW DETAILS

In this profile we selected rickshaw pullers, drivers and conductors who are 11% of total population for the study. The total weekly inflow is USD 68 which comes mainly USD 3,408 Transport

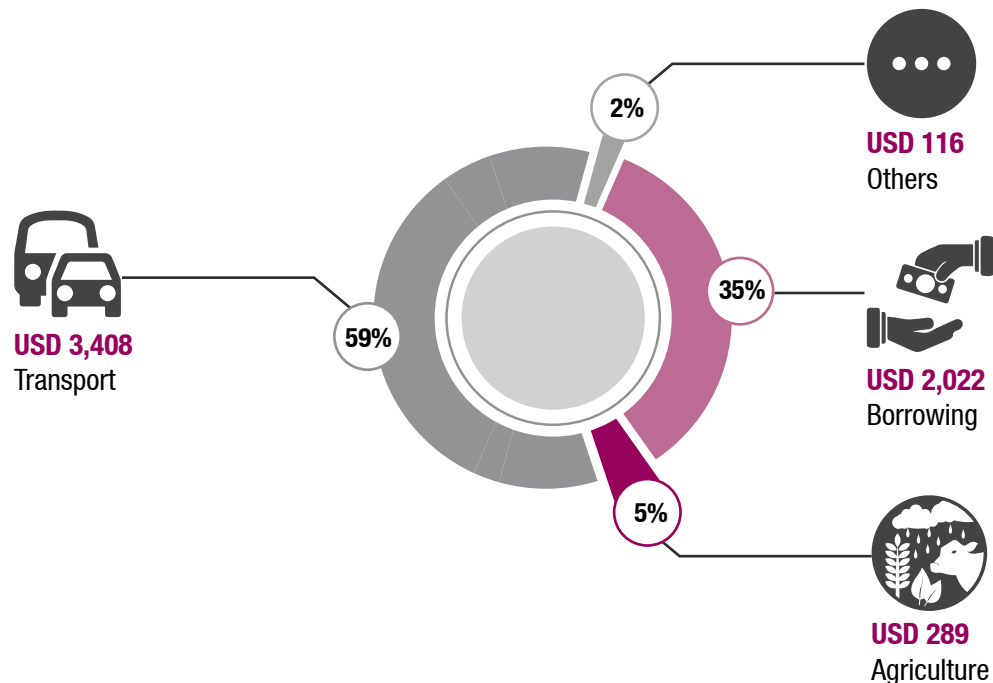


Figure 6: Weekly cash inflow categories

from two different categories. They receive 59% (USD 40.1) of their cash inflow from their transportation business and 35% (USD 23.8) of borrowing from various sources. In addition to that, they receive 5% (USD 3.4) from agriculture and 2% (USD 1.4) from other pockets.

CASH OUTFLOW DETAILS



37%
Business
USD 27.0



25%
Food
USD 18.2



19%
Debt
USD 13.8



9%
Living cost
USD 6.6



5%
Health
USD 3.6



2%
Savings
USD 1.5



1%
Mobile
USD 0.7



0.03%
Education
USD 0.2



1%
Other
USD 0.7

Table 5: Weekly cash outflow Categories

Transport workers also have higher weekly outflows than inflows which makes cash deficit. They spend 37% (USD 27) of their outflows for business purposes. It's basically vehicle registration, repair and fuel costs, and the rent for the garage. Households spend 25% (USD 18.2) on buying food for the family. They use 19% outflows (USD 13.8) to pay off their debts in which 76% of the debts are institutional credit and 24% are mostly from informal sources. Near 9% (USD 6.6) outflows transport workers spend on living and 5% (USD 3.7) was used for their health purpose mostly for buying medicines. Apart from that, these households also save 2% (USD 1.5) on weekly basis and spend 1% (USD 0.8) to buy airtime or mobile data.

The study shows, 90% of the households depends on single earners. 64% of their total receipts come from their main source of income and the remainder comes from borrowings and agriculture. It shows they have a major secondary income dependency which led 40% households for multiple borrowing. On average households have weekly cash deficits of 7% (USD 4.9) of their outflows. The study found that, this group spends comparatively less on food than others. They spend USD 0.6 a day for food for each member of the household.

CASH INFLOW TRANSACTIONS

Households make six weekly inflows of USD 36.8 from their vehicle. Two households have been seen to sell their labour and earn USD 7.3 weekly. Four households earned USD 19.2 from agriculture. Nine households took informal loan of USD 12.4. Because of vulnerability five households reported withdrawing savings of USD 4.1 weekly.

| Cash Inflow Activities | Average Transaction per HH (weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|--------------------------|-------------------------------------|----------------------------------|----------------------------------|
| Income from vehicle rent | 6 | 30 | 36.8 |
| Getting labour cost | 4 | 2 | 7.3 |
| Income from agriculture | 1 | 4 | 19.2 |
| Loan without interest | 1 | 9 | 12.4 |
| Savings withdrawal | 1 | 5 | 4.1 |

Table 6: Weekly cash inflow transactions

CASH OUTFLOW TRANSACTIONS

| Cash outflow Activities | Transaction per HH (weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|--------------------------|-----------------------------|----------------------------------|----------------------------------|
| Food cost | 9 | 30 | 17.2 |
| Medicine cost | 1 | 25 | 1.1 |
| Vehicle repair cost | 1 | 24 | 4.0 |
| Transport cost | 3 | 11 | 8.2 |
| Mobile recharge | 2 | 29 | 0.6 |
| Instalment payment | 1 | 16 | 18.1 |
| Informal debt | 1 | 6 | 3.0 |
| Institutional savings | 1 | 8 | 1.2 |
| Informal savings | 3 | 4 | 8.4 |
| Tobacco–paan purchase | 8 | 20 | 3.1 |
| Toiletries item purchase | 1 | 18 | 0.3 |
| Education cost | 1 | 11 | 0.5 |
| Utilities bill | 1 | 11 | 2.1 |
| Fuel cost | 4 | 9 | 9.8 |
| House rent | 1 | 2 | 4.1 |

Table 7: Weekly cash outflow transactions

From the outflow analysis it has been observed, households buy food of USD 17.2 nine times a week. They spent USD 1.1 to buy medicine, USD 4 to repair vehicle, USD 8.2 for transport cost and USD 0.6 for mobile recharge. Households spent a big portion of USD 18.1 to pay institutional debt and USD 3 to pay informal debts. Eight households have been observed saving USD 1.2 weekly in institutions and 4 households has been seen keeping USD 8.4 as informal savings. This profession also spends a portion of its income to buy tobacco/paan and spend USD 3.1 per week. They pay house rent of USD 4.1 a week, which equates to USD 17.7 a month. They spend a small amount on education which is due to pandemic as all the educational institute are closed.



PROFILE THREE **FARMERS**

(Owned/Shared Farming)

CASH INFLOW DETAILS

This group covers all the farmers who cultivate on their own land or sublease the land.

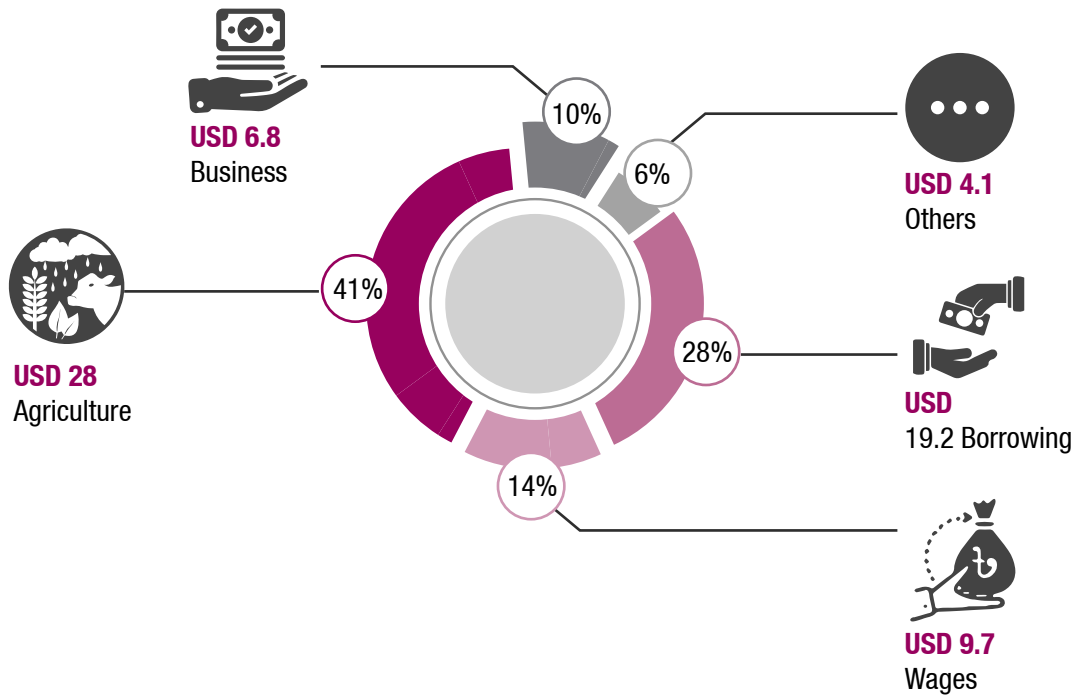


Figure 7: Weekly cash inflow categories

Households make USD 58.4 weekly inflows. 41% (USD 28) of the inflows come from agriculture, 14% (USD 9.6) from wages and 28% (USD 19.1) from borrowing. This profile has a big portion of their inflows from borrowing to manage their households.

CASH OUTFLOW DETAILS



40%
Business
USD 40.2



23%
Food
USD 23.1



17%
Debt
USD 17.1



10%
Lifestyle
USD 10.0



6%
Health
USD 6.0



2%
Savings
USD 2.0



1%
Education
USD 1.0



1%
Mobile
USD 1.0



1%
Others
USD 1.0

Table 8: Weekly cash outflow categories

Households have USD 100.5 weekly outflow which is much higher than their inflows. It may be because of the nature of their business. In agriculture, they have to harvest and wait some time to grow the crops before selling.

The study shows they spend 40% (USD 40.2) on agriculture, 23% (USD 23.1) on food for the family. They use 17% (USD 17.1) of their cash outflows to pay down their debt where 88% goes to pay off their institutional debts and 12% for informal loans. They spend 10% (USD 10.1) to pay the cost of living. 23% of households are overburdened by multiple loans. Apart from that they spend 6% (USD 6.02) on their health, 1% on education for their kids and 1% for buying mobile airtime.

This group has 90% single earner in the household. 47% of the entire inflows come from agriculture and rest that they must manage from elsewhere. Because of these dependencies, households suffer from 32% (USD 32.1) deficits every week. It clearly shows the struggle they go through.

CASH INFLOW TRANSACTIONS

These families earn in two ways. They either sell agricultural produce or they sell labour on others' land. They earn weekly USD 23.2 from agriculture and USD 11.7 from selling labour. Other than this, they get USD 10.2 weekly by selling food. They also borrow USD 54.5 informally from friends or family and buy things on due from retail shop of USD 1.9.

| Cash Inflow Activities | Average transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction per HH |
|-------------------------|-------------------------------------|----------------------------------|-------------------------------------|
| Income from agriculture | 2 | 20 | 23.2 |
| Getting labour cost | 3 | 19 | 11.7 |
| Selling food | 1 | 10 | 10.2 |
| Loan without interest | 1 | 9 | 54.5 |
| Buying on due | 1 | 5 | 1.9 |
| Getting owing money | 1 | 3 | 2.9 |

Table 9: Weekly cash inflow transactions

It has been seen that households have to borrow if they want to survive. A big portion of their inflows they have to spend paying off their debts. They weekly pay USD 29.1 to clear institutional loans. They buy food of USD 21.3, spend USD 4.6 for medical purpose, buy cattle food of USD 8.2, fertiliser of USD 5, and USD 6.1 for paying labour who worked on their field. They also spend USD 7.6 for cultivation. One out of 30 families pays a rent of USD 8.2 per week (USD 35.3 per month).

We observed them having USD 3.8 as institutional savings and USD 1.9 as informal savings which is basically home savings. They pay utilities bill of USD 5.1 which is a bit high. It includes electricity cost of irrigation as well. This group of people spend USD 0.6 for education purpose and USD 0.5 for mobile recharge and USD 2.1 for tobacco or paan consumption per week.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Average transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction per HH |
|-------------------------------|-------------------------------------|----------------------------------|-------------------------------------|
| Food cost | 6 | 30 | 21.3 |
| Transport cost | 3 | 26 | 2.5 |
| Mobile recharge | 1 | 24 | 0.5 |
| Medical cost | 2 | 24 | 4.6 |
| Cattle food purchase | 2 | 18 | 8.2 |
| Fertiliser/pesticide purchase | 1 | 16 | 5.0 |
| Tobacco–paan purchase | 2 | 16 | 2.1 |
| Instalment payment | 1 | 14 | 29.1 |
| Utilities bill | 1 | 12 | 5.1 |
| Institutional savings | 1 | 11 | 3.8 |
| Payment–agri day labour | 1 | 11 | 6.1 |
| Cultivation cost | 1 | 9 | 7.6 |
| Education cost | 1 | 9 | 0.6 |
| Informal savings | 1 | 7 | 1.9 |
| Livestock medical expense | 1 | 7 | 0.8 |
| House rent | 1 | 1 | 8.2 |

Table 10: Weekly cash outflow transactions



PROFILE FOUR **INFORMAL WORKERS**

(Cottage Industry Workers, Mill Workers, Washers, Barbers, etc.)

CASH INFLOW DETAILS

In this group, there is a good representation of cottage, mills, factory workers, washers and barbers.

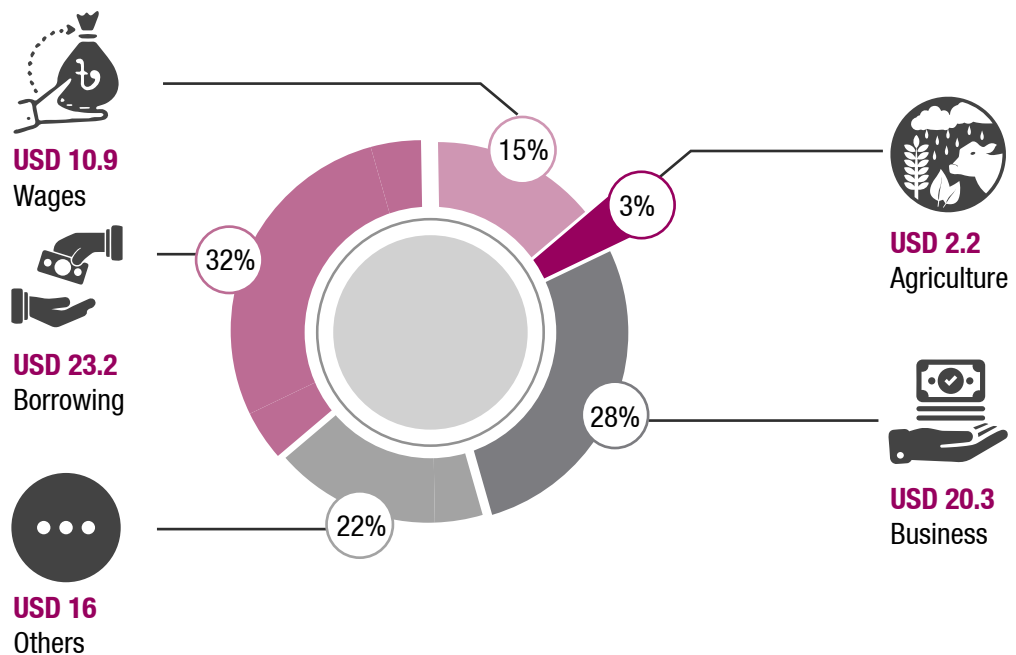


Figure 8: Weekly cash inflow categories

This profession has USD 72.5 weekly inflows in which 15% (USD 10.9) comes from wages, 28% (USD 20.3) comes from their business, 22% (USD 16) comes from other source of income and a big portion 32% (USD 23.2) comes from borrowing from different sources. It shows the severity of depending on other sources.

CASH OUTFLOW DETAILS

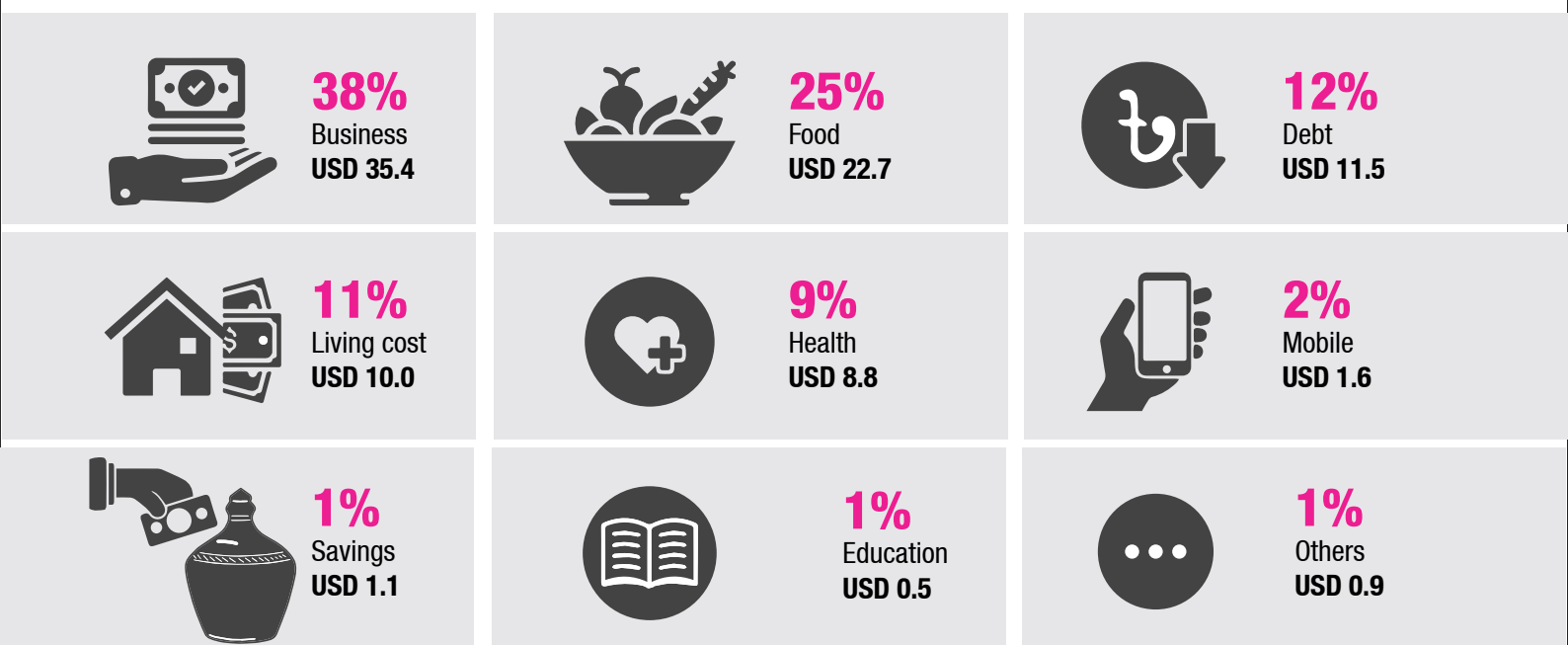


Table 11: Weekly cash outflow categories

From the outflows, households weekly spend 38% (USD 35.4) on their business mostly to buy stock or inventories, 25% (USD 22.7) for food consumption, 12% (USD 11.5) for clearing debt of which 83% for clearing institutional debts and 17% for informal debts and 11% (USD 10) for living. Apart from that they also spend 9% (USD 8.8) for health, 1% (USD 1.1) for savings and 1% (USD 0.5) on education.

21% households of this profession has multiple earners in the household. 61% of their total inflows come from main source of income. Multiple earning modality has increased main sources dependency. This group also has more outflows than their inflows and it makes 22% weekly deficits in their cash flows worth USD 19.9.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction per HH |
|-------------------------|-----------------------------|----------------------------------|-------------------------------------|
| Getting labour cost | 6 | 6 | 23.0 |
| Income from agriculture | 1 | 3 | 9.5 |
| Income from laundry | 7 | 3 | 18.4 |
| Selling products | 1 | 2 | 9.1 |
| Selling household item | 1 | 2 | 64.5 |
| Loan without interest | 1 | 4 | 8.2 |
| Loan from money lender | 1 | 3 | 91.5 |
| Buying on due | 1 | 3 | 20.3 |
| Getting due of shop | 1 | 1 | 0.3 |

Table 12: Weekly cash inflow transactions

Households get labour cost of USD 23 six times a week. Three out of fourteen households get USD 9.5 from agriculture and USD 18.4 from laundry services. Two households sold products/inventories of USD 9.1, household items of USD 64.5. They also receive informal loan of USD 8.2 from friends and families and USD 91.5 from money lenders. Three households have been seen buying on due of USD 20.3.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction per HH |
|---------------------------|-----------------------------|----------------------------------|-------------------------------------|
| Food cost | 9 | 14 | 21.0 |
| Mobile recharge | 2 | 14 | 1.5 |
| Medicine cost | 3 | 13 | 3.0 |
| Transport cost | 2 | 12 | 2.2 |
| Tobacco–paan purchase | 6 | 11 | 1.8 |
| Institutional savings | 1 | 8 | 1.8 |
| Instalment payment | 1 | 7 | 17.8 |
| Utilities bill | 1 | 7 | 5.0 |
| Cosmetics purchase | 1 | 6 | 8.0 |
| HH items purchase | 1 | 6 | 4.1 |
| Toiletries item purchase | 1 | 5 | 0.9 |
| Cattle food purchase | 3 | 4 | 6.2 |
| Livestock medical expense | 1 | 4 | 1.3 |
| Payment– day labour | 1 | 3 | 14.1 |

Table 13: Weekly cash outflow transactions

They spend on an average USD 21 weekly nine times for food, USD 3 for buying medicine, USD 5 for paying utility bills, and USD 14.1 for paying labour cost. They spend USD 2.2 as transport cost, USD 1.5 for mobile recharge, and USD 1.8 to consume tobacco or paan. Six households have been seen spending USD 8 on cosmetics and USD 4.1 on buying household items. Apart from that they also pay USD 17.8 for paying debt and save USD 1.8 on an average. This group also keep cattle at home as they spent USD 6.2 for buying cattle food and USD 1.3 for livestock medicine.



PROFILE FIVE **SME BUSINESS**

(Retail Shop, Tea Stalls, Roadside Hawkers)

CASH INFLOW DETAILS

This group is containing small retail shops, pharmacy, tea stalls, hawkers, street vendors and SME businesses. They have USD 234.5 inflows which comes from five different categories. 77% (USD 180.5) comes from

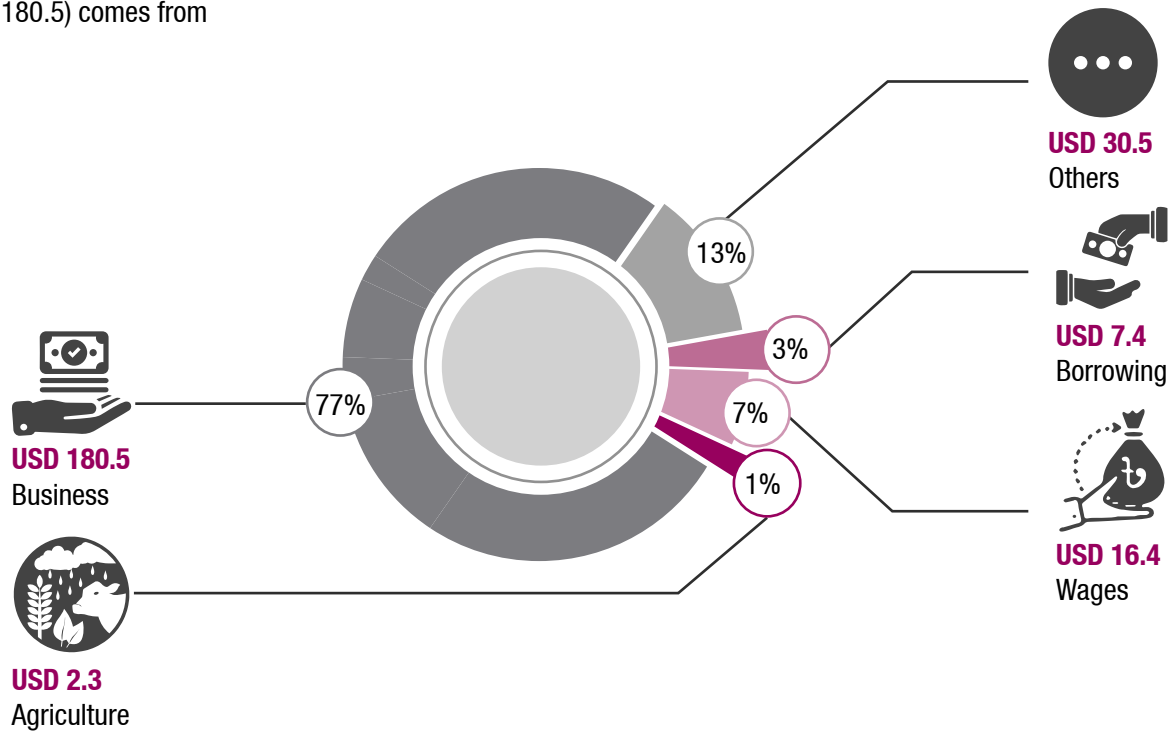


Figure 9: Weekly cash inflow categories

business, 7% (USD 16.4) comes from wages and 13% (USD 30.5) comes from other sources. This group borrows 3% (USD 7.4) of their weekly inflows.

CASH OUTFLOW DETAILS



Table 14: Weekly cash outflow categories

They have USD 242.7 weekly out flows which is higher than their inflows. Households spend 68% (USD 165) of their outflows in business. 41% households have multiple loans from different institutions. They spend 10% (USD 24.3) paying their debts where 81% are paying institutional debt and 19% are informal debts.

Small business households spend 10% (USD 24.3) on purchasing food which is comparatively less than other occupational groups. We have seen them spending 6% (USD 14.6) on living. Apart from that, they spend 1% (USD 2.4) for savings, USD 1.1 for mobile recharge or buying data and USD 1.2 for education of their household members.

86% households from small business have single earner in the households. 87% of their total inflows come from the main source of income. This group most likely borrow for their businesses rather to manage living cost. Their inflows from loan or spending to clear debt is comparatively low. Weekly these households have 03% (USD 8.2) deficit of their outflows which they fail to manage from their inflows.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Average Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/ HH |
|-----------------------------|-------------------------------------|----------------------------------|----------------------------------|
| Selling products (business) | 7 | 45 | 268.6 |
| Getting labour cost | 5 | 22 | 45.5 |
| Getting due of shop | 2 | 20 | 24.0 |
| Buying on due | 2 | 17 | 38.8 |
| Loan without interest | 1 | 15 | 16.9 |
| Savings withdrawal | 2 | 7 | 18.8 |
| Income from repairing | 4 | 9 | 29.3 |
| Selling food | 2 | 5 | 9.0 |
| Selling tobacco product | 7 | 3 | 5.7 |

Table 15: Weekly cash inflow transactions

Households on an average sell USD 268.6 worth product from their business. Those who are in selling labour modality make USD 45.5 per week. In small business a portion of the inflows become due and the study shows they get weekly USD 24 from there. Some families have been seen selling food of USD 9. Weekly they take loan of USD 16.9 from their friends or family and they have been seen withdrawing USD 18.8 to balance their financial crisis.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Average Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|---------------------------|-------------------------------------|----------------------------------|---------------------------------|
| Food cost | 7 | 71 | 22.5 |
| Mobile recharge | 2 | 62 | 0.9 |
| Medicine cost | 2 | 58 | 4.5 |
| Doctor fee | 1 | 19 | 2.4 |
| Transport cost | 3 | 56 | 3.0 |
| Instalment payment | 1 | 47 | 22.0 |
| Buying stock for business | 5 | 44 | 212.2 |
| Paan purchase | 3 | 39 | 1.0 |
| Tobacco product purchase | 4 | 35 | 4.1 |
| Toiletries item purchase | 1 | 32 | 0.8 |
| Institutional savings | 1 | 30 | 4.8 |
| Cosmetics purchase | 1 | 22 | 1.0 |
| HH items purchase | 1 | 21 | 7.1 |
| Utilities bill | 1 | 19 | 3.9 |
| Sell on due | 3 | 18 | 37.7 |
| Paying informal debt | 1 | 17 | 5.0 |
| Education cost | 1 | 14 | 0.6 |
| House rent | 1 | 10 | 8.0 |

Table 16: Weekly cash outflow transactions

The outflow analysis shows, they buy USD 22.5 worth of food seven times a week for consumption. This group spend USD 4.5 as medical cost, USD 2.4 as doctor fees, USD 3 as transport fare, and USD 5.1 for tobacco and paan purchase, USD 7.1 for household items purchase and USD 3.9 for utility bills. They spend USD 22 to pay off their formal loans and USD 5 to pay their informal loans from friends and family. They save USD 4.8 weekly. They make five transactions for buying business stock of USD 212.2. Apart from that they have to sell some stock on due worth USD 37.7 per week which also disrupts their cash flow. On an average they pay USD 8 house rent per week (USD 34.1 per month). This group has also been seen spending USD 0.7 for education purpose.



PROFILE SIX
RMG WORKERS

CASH INFLOW DETAILS

RMG workers were having the highest women engagement in income generating activities (IGA) from their households. They are quite stable about their income and expenditures though many factories were affected during COVID-19.

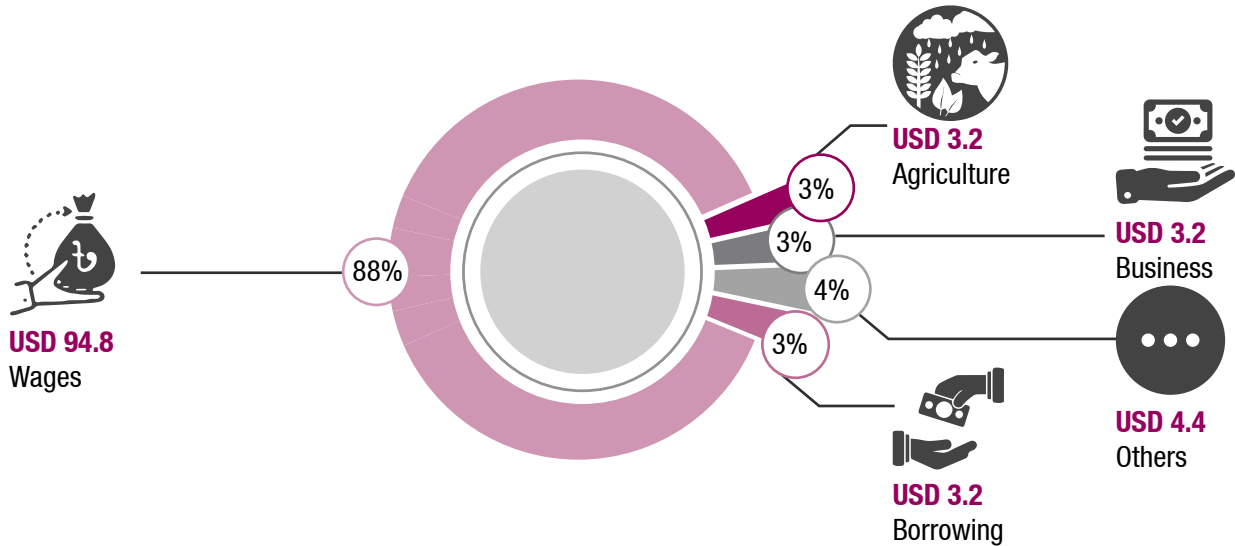


Figure 10: Weekly cash inflow categories

The cash flow analysis shows they have USD 107.7 as inflows. 88% (USD 94.8) of the inflows came from their wages/salary. 3% (USD 3.2) equally came from borrowing, agriculture and business. 4% (USD 4.4) inflows came from other sources of income into the household.

CASH OUTFLOW DETAILS










| | | |
|---|---|---|
|  <p>32% Living cost USD 29.4</p> |  <p>26% Food USD 23.8</p> |  <p>23% Debt USD 21.1</p> |
|  <p>6% Education USD 5.5</p> |  <p>4% Health USD 3.7</p> |  <p>1% Mobile USD 0.9</p> |
|  <p>2% Savings USD 1.8</p> |  <p>2% Business USD 1.8</p> |  <p>4% Others USD 3.7</p> |

Table 17: Weekly cash outflow categories

This profession has USD 91.7 weekly outflows where they spend 39% (USD 29.4) on their living cost, 26% (USD 23.8) they spend buying food and 23% (USD 21.1) for

paying their debt off though they did not borrow much during the two weeks of data collection. They spend 6% (USD 5.5) of their outflows for education cost which is higher than other professions and they save 2% (USD 1.8) weekly. This profile has seen spending USD 0.9 for mobile recharge and data purchase.

67% of the households have multiple earners which is the highest compared to others and they are all female counterpart of the family who makes the financial condition stable for their households. 96% of their total monthly income comes from their main source of income.

Though they are earning well but it has been observed that 27% HHs have multiple loans. Most of the time they take loan for building fixed assets e.g. buying land or constructing houses. Out of which 92% are institutional and 8% are taken from informal sources. This group has weekly 17% access of their inflows worth USD 16. This also keeps them financially strong against all the shocks in the pandemic.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|------------------------|-----------------------------|----------------------------------|---------------------------------|
| Salary | 1 | 14 | 94.1 |
| Salary overtime | 1 | 2 | 14.9 |
| Buying on due | 1 | 5 | 6.7 |
| Getting owing money | 1 | 2 | 5.7 |
| Loan without interest | 1 | 2 | 15.4 |

Table 18: Weekly cash inflow transactions

Most of the households earn weekly USD 94.1 from their salary though it's monthly in most of the cases but for the study it has been converted to weekly modality. A big part (16%) of their salary comes from overtime and they weekly make USD 14.9 from it. Five households made on an average one transaction weekly to buy on due of USD 6.7. RMG workers purchase on due from the nearby retail shop during last couple of days of the month until the salary is paid. It's a common scenario from all the households of this profession.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|--------------------------|-----------------------------|----------------------------------|----------------------------------|
| Food cost | 7 | 15 | 22.5 |
| Betel nuts–paan purchase | 5 | 14 | 0.9 |
| Tobacco product purchase | 3 | 6 | 1.0 |
| Transport cost | 3 | 10 | 5.3 |
| Mobile recharge | 2 | 11 | 0.9 |
| Toiletries item purchase | 1 | 9 | 0.6 |
| Medicine cost | 1 | 10 | 2.6 |
| Cosmetics purchase | 1 | 8 | 1.0 |
| Instalment payment | 1 | 8 | 33.6 |
| Utilities bill | 1 | 9 | 3.1 |
| Institutional savings | 1 | 6 | 3.9 |
| Internet purchase | 1 | 4 | 0.3 |
| House Rent | 1 | 10 | 12.1 |

Table 19: Weekly cash outflow transactions

Households make weekly seven transactions to buy food of USD 22.5. They use USD 5.3 for transportation fare, USD 0.9 for buying airtime, USD 2.6 for buying medicine and for taking tobacco/paan they spend USD 1.9. They also pay USD 12.1 as house rent per week which is USD 51.8 per month.

Eight households out of 15 have seen paying formal debt of USD 33.6 per week. They also save formally in different institutions of USD 3.9. Apart from that they spend USD 1 for buying cosmetics and USD 0.3 for buying mobile data.



PROFILE SEVEN **EMPLOYEES**

(Primary Teacher, Tuition, Hospital/Clinic Nurse,
Employment in Small/Business Organisation)

CASH INFLOW DETAILS

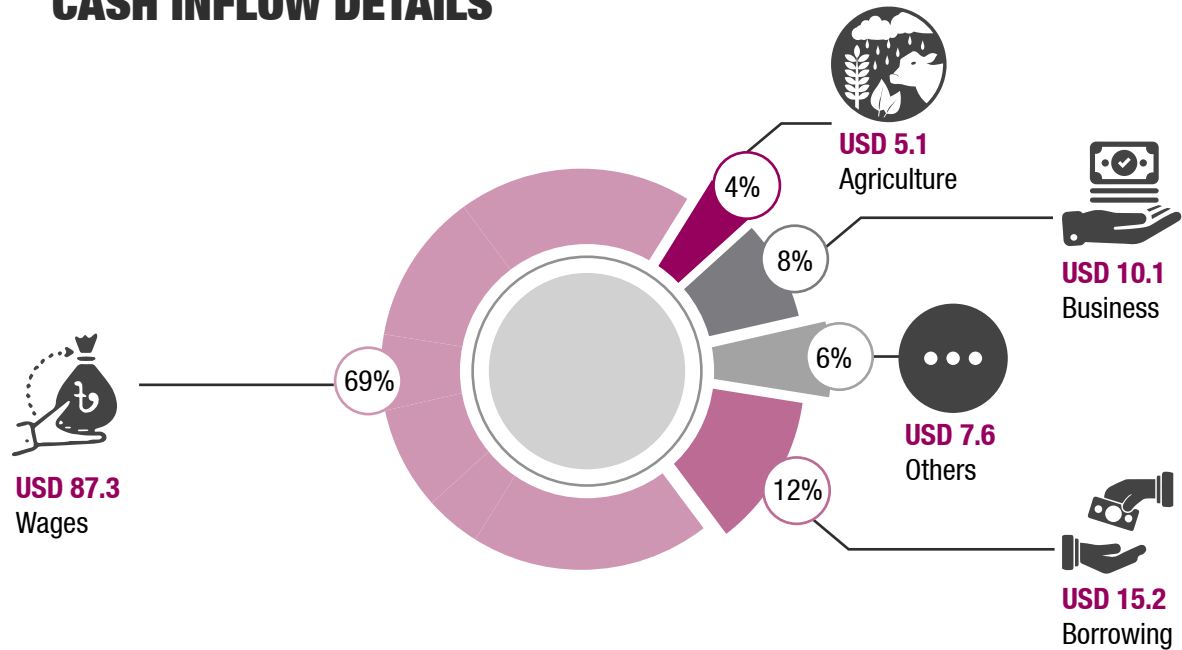


Figure 11: Weekly cash inflow categories

This profession represents primary teachers, tutors, nurse and people who work in small businesses. Households have weekly USD 126.6 as inflows and 69% (USD 87.3) comes from wages, 8% (USD 10.1) from their business and 4% (USD 5.1) from agriculture and 12% (USD 15.2) comes from borrowing.

CASH OUTFLOW DETAILS



Table 20: Weekly cash outflow categories

They have weekly outflow of USD 137.8 which is higher than their inflows which usually means they have a cash deficit. They spend 28% (USD 38.2) of their weekly outflow on food purchase, 21% (USD 29.4) for living cost, 17% (USD 23.4) equally for paying debt and for

business purpose. 47% of the households were having multiple loans and 78% of that are institutional and 22% were taken from informal sources. These households also spend 7% (USD 10.1) for getting health services. They save 5% (USD 6.9) of their outflows, spend 2% (USD 2.8) on education as well.

80% households of this group have single earners in the family and 81% of their inflows were coming from main source of income. They have an average weekly deficit of 8% (USD 11.2) of their outflows which they fail to manage from their inflows.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Average Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|-------------------------|-------------------------------------|----------------------------------|---------------------------------|
| Salary | 1 | 20 | 112.3 |
| Getting owing money | 1 | 6 | 15.3 |
| Loan without interest | 3 | 5 | 68.3 |
| Selling products | 5 | 4 | 68.4 |
| Income from tailoring | 2 | 4 | 3.8 |
| Salary overtime | 1 | 4 | 39.9 |
| Income from agriculture | 2 | 2 | 37.6 |

Table 21: Weekly cash inflow transactions

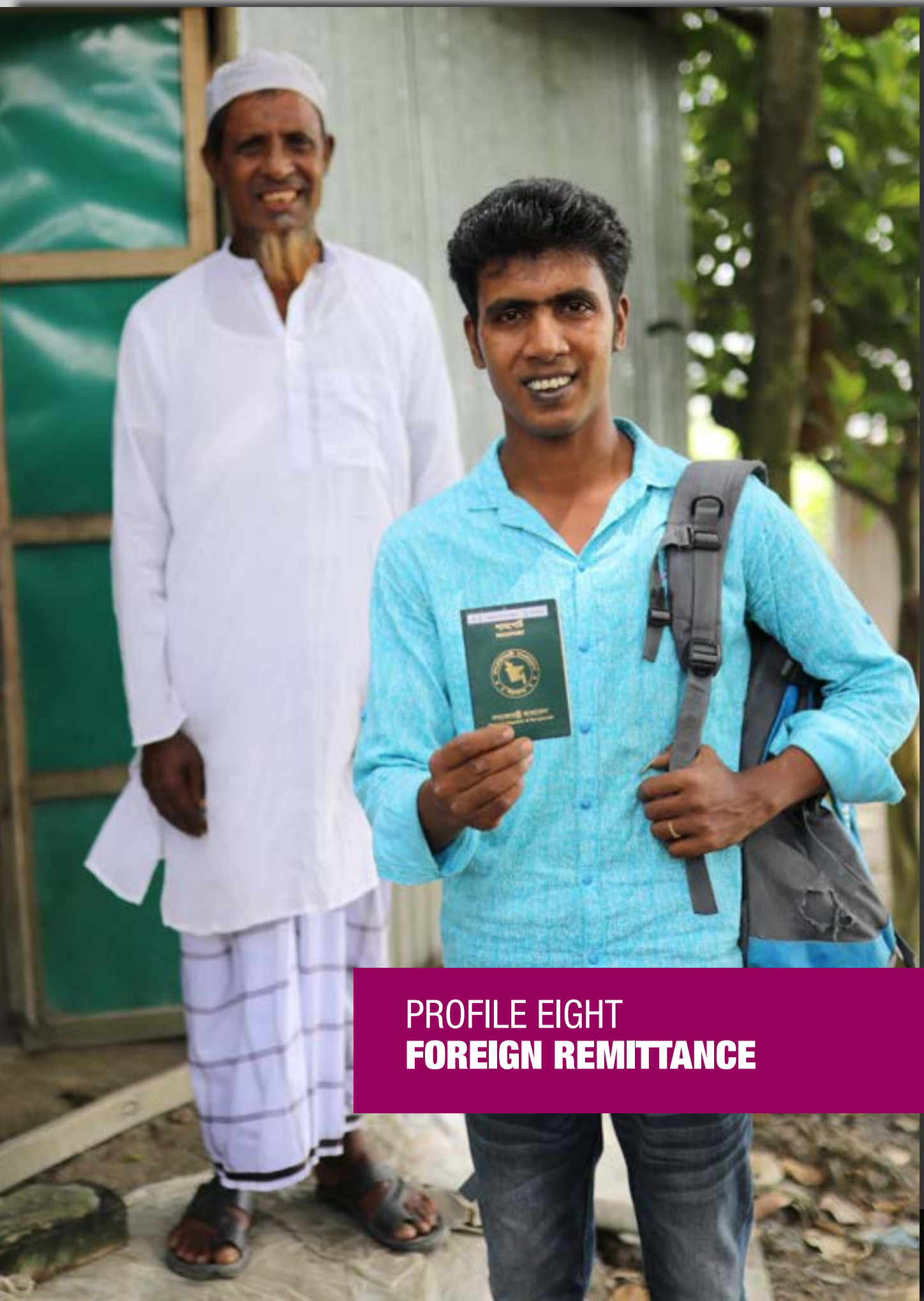
This group weekly earns USD 112.3 from salary and USD 39.9 from overtime. Six households received money they owe of USD 15.3. Four households make weekly five transactions of selling products worth of USD 68.4. Two households have been seen making USD 37.6 from agriculture. Weekly they make three transactions of USD 68.3 to get informal loans.

CASH OUTFLOW TRANSACTIONS

It has been observed that they spend USD 32.6 weekly eight times for food consumption, USD 5.6 as medical cost specifically buying medicine, USD 6.2 as education cost, USD 4.9 for transport fare, USD 1.5 for toiletries item purchase and USD 1.8 for mobile recharge. They also have a tendency of saving USD 15.2. They pay USD 7.8 as house rent. Weekly they pay off USD 11.7 informal debt USD 33 as formal debts.

| Cash Outflow Activities | Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|-------------------------------|-----------------------------|----------------------------------|----------------------------------|
| Food cost | 8 | 30 | 32.6 |
| Medical cost | 2 | 26 | 5.6 |
| Mobile recharge | 3 | 25 | 1.8 |
| Transport cost | 3 | 25 | 4.9 |
| Toiletries item purchase | 1 | 21 | 1.5 |
| Cosmetics purchase | 1 | 17 | 1.1 |
| Instalment payment | 1 | 14 | 33.0 |
| Fuel cost | 2 | 13 | 2.6 |
| Education Fee | 1 | 12 | 6.2 |
| Institutional savings | 1 | 12 | 15.2 |
| HH items purchase | 1 | 12 | 2.3 |
| Tobacco product purchase | 2 | 12 | 1.5 |
| Betel nuts–paan purchase | 2 | 10 | 0.9 |
| Cattle food purchase | 1 | 9 | 7.4 |
| Utilities bill | 1 | 9 | 7.6 |
| Fertiliser/pesticide purchase | 1 | 6 | 6.8 |
| Paying informal debt | 1 | 6 | 11.7 |
| House rent | 1 | 5 | 7.8 |

Table 22: Weekly cash outflow transactions



PROFILE EIGHT
FOREIGN REMITTANCE

CASH INFLOW DETAILS

Remittance earners get USD 181.5 as weekly inflows of which 52% (USD 94.4) comes from wages, 31% (USD 56.3) from other sources, 2% (USD 3.6) they get from agriculture and 15% (USD 27.2) they borrow from formal and informal sources.

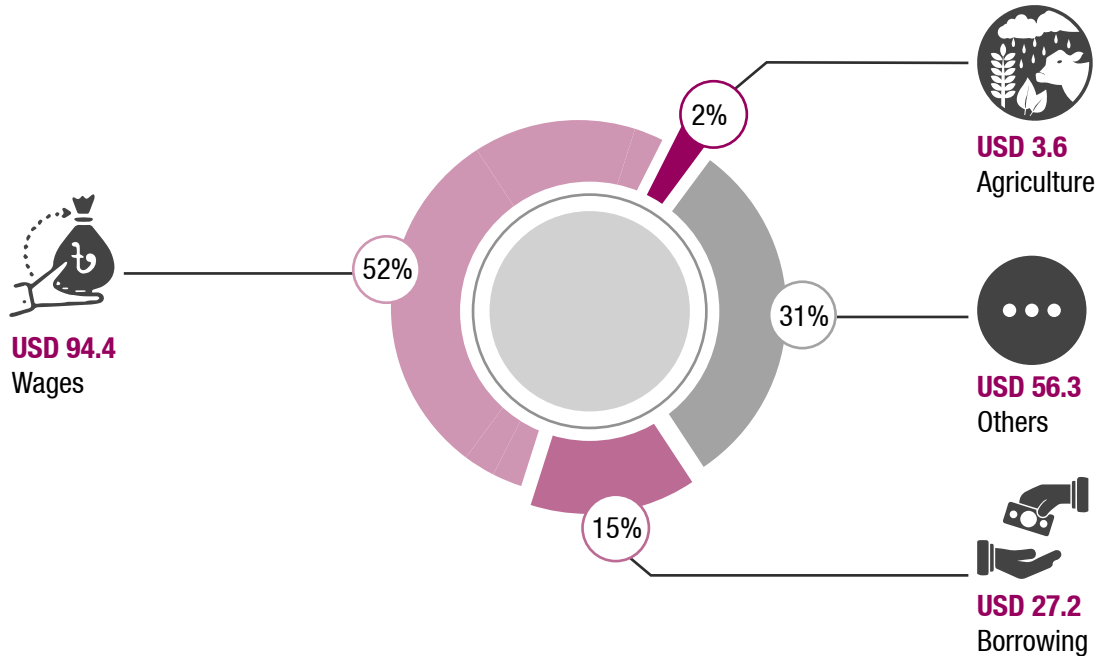


Figure 12: Weekly cash inflow categories

CASH OUTFLOW DETAILS










| | | |
|---|--|--|
|  <p>46% Debt USD 70.5</p> |  <p>24% Food USD 36.8</p> |  <p>14% Living cost USD 21.4</p> |
|  <p>6% Health USD 9.2</p> |  <p>3% Education USD 5.0</p> |  <p>2% Business USD 3.7</p> |
|  <p>2% Mobile USD 2.8</p> |  <p>2% Savings USD 2.5</p> |  <p>1% Others USD 1.0</p> |

Table 23: Weekly cash outflow categories

Remittance earners have USD 153.2 as weekly outflows where they spend 46% (USD 70.5) for paying their debts off. It takes almost half of their outflows. It has been seen that 36% of the households have multiple loans and 54% of that comes from formal sources and 46% from friends or families. Second largest 24% outflows they spend on purchasing food of USD 36.8. 14% of the

outflow (USD 21.4) goes for living and 6% (USD 9.2) goes for health purpose mostly for buying medicine or doctor fees. This group spends 3% (USD 5) for education of the household members, 2% (USD 2.8) they spend on buying mobile airtime or mobile data. Apart from that they also spend 2% (USD 2.5) to have savings for future.

Of this group, 89% households have single earner in the family. 54% of the total inflow comes from main source of income. This group have 19% weekly excess of their total inflows worth USD 28.4 which remains unspent.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Average Transaction per HH | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|------------------------|----------------------------|----------------------------------|----------------------------------|
| Getting remittance | 1 | 17 | 135.6 |
| Salary | 1 | 3 | 47.6 |
| Getting owing money | 1 | 8 | 133.4 |
| Buying on due | 2 | 8 | 21.3 |
| Selling food | 1 | 5 | 1.8 |
| Selling Livestock | 2 | 4 | 21.6 |
| Loan without interest | 1 | 4 | 29.2 |
| Loan from money lender | 1 | 3 | 183.0 |
| Savings withdrawal | 1 | 2 | 19.2 |

Table 24: Weekly cash inflow transactions

Most of the households get weekly USD 135.6 as foreign remittance. Apart from that three households have been seen getting salary of USD 47.6. Eight households got due receivables of USD 133.4. Eight households have seen buying on due of USD 21.3. Five households have seen selling food of USD 1.8 and four households were selling livestock of USD 21.6. Four households took informal loan from friends or family worth USD 29.2 and three households took loan from money lenders of USD 183. Two households also withdrawn savings of USD 19.2 on a weekly basis.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Average Transaction per HH | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|--------------------------|----------------------------|----------------------------------|---------------------------------|
| Food cost | 6 | 28 | 33.0 |
| Transport cost | 3 | 26 | 3.2 |
| Mobile recharge | 1 | 22 | 1.0 |
| Medicine cost | 1 | 22 | 5.7 |
| Internet purchase | 1 | 13 | 1.5 |
| Utilities bill | 1 | 13 | 11.1 |
| Toiletries item purchase | 1 | 12 | 1.8 |
| Institutional savings | 1 | 11 | 5.5 |
| Paying informal debt | 1 | 10 | 39.4 |
| HH items purchase | 1 | 10 | 1.6 |
| Cosmetic purchase | 1 | 9 | 4.5 |
| Education cost | 1 | 9 | 14.2 |
| Instalment payment | 1 | 9 | 108.2 |
| Cattle food purchase | 1 | 8 | 5.2 |
| Doctor fees | 1 | 6 | 1.9 |
| Tobacco–paan purchase | 2 | 6 | 1.4 |
| House Rent | 1 | 3 | 24.7 |

Table 25: Weekly cash outflow transactions

These families have been seen spending money on various purposes. Households make six transactions weekly of USD 33 for purchasing food. They spend USD 5.7 for buying medicine, USD 1.9 for doctor fees, USD 3.2 for transport fare, USD 11.1 for paying utility bills, USD 1.8 for toiletries items, USD 1.6 for household items, USD 4.5 for cosmetics purchase, USD 5.2 for cattle food purchase and USD 1.4 for tobacco or paan purchase. They also spend USD 1 for mobile recharge and USD 1.5 to purchase mobile data. Most of the time they use social media e.g. imo, Whatsapp, messenger to talk to their remittance earner and it increased the internet purchase amount significantly. This group pays USD 108.2 as institutional debts and USD 39.4 as informal debts. Alongside, they also save USD 5.5 weekly. Only three families have been noticed to spend money as house rent of USD 24.7 per week and they are all from urban areas. That's why the rent is comparatively high.



**PROFILE NINE
POULTRY, LIVESTOCK
& FISHERIES**

CASH INFLOW DETAILS

This profession has higher inflows and outflows compared to other professions. Its mostly because of their business nature. They get weekly inflows of USD 424.7 of which 71% (USD 301.5) comes from agriculture, 7% (29.7) comes from business, 9% (USD 38.2) comes from other sources of income and 10% (USD 42.5) comes from borrowing from different blocks.

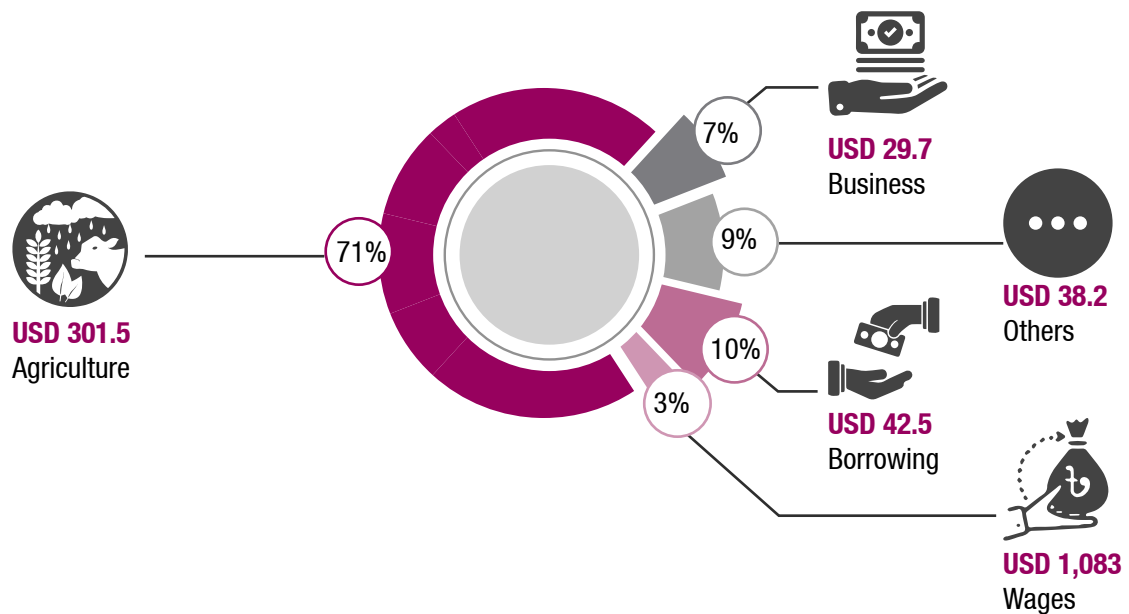


Figure 13: Weekly cash inflow categories

CASH OUTFLOW DETAILS



Table 26: Weekly cash outflow categories

This group spends 68% (USD 331.3) for business purpose. 41% of these households have multiple loans in the family. They have weekly 20% (USD 99.7) of their outflows as debt to pay. 52% of this payment is for institutional loans and 48% for informal loans. They also spend 6% (USD 28.3) to buy food. Families from this group have seen spending 2% (USD 10.5) equally on living cost and health. Apart from that, they save 1% (USD 5.5) of their outflows to institutions and for mobile recharge and data purchase 1% (USD 3.1) outflow. This group has also seen spending USD 0.7 for education of their household members.

93% of this group has single earners in the family. 79% of the total inflows come from main source of income. This group has a weekly cash deficit of 13% (USD 65.8) of their outflows which also forces them to borrow from multiple sources.

CASH INFLOW TRANSACTIONS

| Cash Inflow Activities | Transaction per HH (weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/HH |
|--------------------------------|-----------------------------|----------------------------------|---------------------------------|
| Selling Livestock | 1 | 13 | 186.8 |
| Selling eggs | 2 | 8 | 165.3 |
| Selling milk/milk made product | 6 | 7 | 32.7 |
| Selling fish from hatchery | 3 | 6 | 519.3 |
| Selling products | 5 | 3 | 211.4 |
| Income from agriculture | 2 | 6 | 101.0 |
| Getting owing money | 1 | 9 | 25.6 |
| Getting labour cost | 4 | 9 | 21.1 |
| Loan without interest | 1 | 4 | 96.6 |
| Buying on due | 1 | 3 | 79.5 |
| Savings withdrawal | 1 | 4 | 102.3 |
| Others income | 1 | 3 | 64.7 |

Table 27: Weekly cash inflow transactions

We have observed different type of cash flow activities from different families but here we picked the most frequent activities made by the households. For example, thirteen families have been seen selling livestock of USD 186.8 per week. Eight families sold eggs of USD 165.3, seven families sold milk/milk made commodities of USD 32.7, six families sold fish of USD 519.3,

six families have been earning from agriculture of USD 101. Nine households have been getting receivables of USD 25.6 and labour cost of USD 21.1. Four families have taken informal loan of USD 96.6 and withdrawn savings of USD 102.3. Apart from that, three families have bought goods on due of USD 79.5.

CASH OUTFLOW TRANSACTIONS

| Cash Outflow Activities | Average Transaction per HH (Weekly) | No. of HH having the Transaction | Volume of Weekly Transaction/H H |
|-------------------------------|-------------------------------------|----------------------------------|----------------------------------|
| Food cost | 8 | 29 | 26.0 |
| Medical cost | 2 | 24 | 5.1 |
| Transport cost | 2 | 24 | 5.0 |
| Cattle food purchase | 3 | 26 | 107.7 |
| Mobile recharge | 2 | 24 | 1.4 |
| Tobacco–paan purchase | 6 | 14 | 2.9 |
| Instalment payment | 1 | 13 | 106.1 |
| Payment– day labour | 2 | 12 | 26.4 |
| Toiletries Items purchase | 1 | 11 | 0.6 |
| Institutional savings | 1 | 10 | 6.6 |
| Livestock medical expense | 1 | 9 | 19.5 |
| Cultivation cost | 1 | 8 | 30.7 |
| Cosmetics purchase | 1 | 6 | 2.3 |
| Education cost | 1 | 5 | 0.6 |
| Internet purchase | 1 | 5 | 0.8 |
| Paying informal debt | 1 | 5 | 49.8 |
| Fertiliser/pesticide purchase | 1 | 4 | 33.4 |

Table 28: Weekly cash outflow transactions

Households weekly spend USD 26 on buying food for themselves, USD 107.7 buying cattle food, USD 5.1 buying medicine for themselves, USD 19.5 buying livestock medicine, USD 5 paying transport fare, USD 26.4 paying day labours in their business. They weekly spend an average of USD 1.4 for mobile recharge and USD 0.8 to purchase internet data, Tobacco or paan of USD 2.9. Weekly they pay USD 106.1 to clear formal debts and USD 49.8 as informal debts. They also save USD 6.6 in different institutions.

HOUSEHOLDS CASH FLOW ANALYSIS

| Profession | Inflow | Outflow | Deficit % | Deficit Amount | Borrowing | Weekly Debt Payment |
|-----------------------------|--------|---------|-----------|----------------|-----------|---------------------|
| Day labourers | 65.7 | 75.4 | 13% | 9.7 | 34% | 29.4 |
| Transport workers | 68.0 | 72.8 | 7% | 4.9 | 35% | 13.8 |
| Farmers | 68.4 | 100.5 | 32% | 32.1 | 28% | 17.1 |
| Workers | 72.5 | 92.4 | 22% | 19.9 | 32% | 11.5 |
| Employees | 126.6 | 137.8 | 8% | 11.2 | 12% | 23.4 |
| Small business | 234.5 | 242.7 | 3% | 8.2 | 3% | 49.6 |
| Poultry/Livestock/Fisheries | 424.7 | 490.5 | 13% | 65.8 | 10% | 99.7 |
| RMG workers | 107.7 | 91.7 | -17% | (16.0) | 3% | 21.1 |
| Foreign Remittance | 181.5 | 153.2 | -19% | (28.4) | 15% | 70.0 |

Table 29: Weekly cash flow analysis

This study gives a reflection of various occupations in nine different categories. The table shows that amongst all the nine categories farmers (32%) and informal workers (22%) were having the most deficit. Here deficit means they fail to meet all their essential needs to live with their inflows and end up spending beyond their inflow by borrowing from different sources or buying on due. Day labourers (13%) and transport workers (7%) are also in a very vulnerable situation as their inflows are low. Professions who have deficit with low inflows are more likely to have more borrowings formally or informally to survive the situation. As we can grasp from this research, day labourers weekly borrow 34%, transport workers 35%, farmers 28% and informal workers 32% to fulfil their essentials which they fail to manage from their inflows. Small business and RMG workers have comparatively low tendency of borrowing. Small businesses have a moderate inflow and RMG workers were having high income earners in the households which didn't force them to borrow much. On the other side, remittance earners borrowing tendency is mostly to build fixed assets like buying lands where they are having less outflows than inflows alongside with RMG workers.

HOUSEHOLDS SAVINGS ANALYSIS

| Occupation | Households Having Savings | Amount | % of Total Inflows |
|-----------------------------|---------------------------|--------|--------------------|
| Day labourers | 44% | 1.5 | 2% |
| Transport workers | 27% | 1.2 | 2% |
| Farmers | 60% | 5.7 | 8% |
| Informal Workers | 57% | 1.8 | 2% |
| Small Businesses | 42% | 4.8 | 2% |
| RMG Workers | 40% | 3.9 | 4% |
| Employees | 40% | 15.2 | 12% |
| Foreign Remittance | 32% | 5.5 | 3% |
| Poultry/Livestock/Fisheries | 34% | 6.6 | 2% |

Table 30: Households weekly savings analysis

The study disclose that there is a habit to save money for future in all the nine categories even though the amount is only USD 1.2 a week. Day labourers, despite having the lowest inflows amongst all nine categories are having a habit to save money for future though they are in deficit. 44% households during the first two weeks of data collection have deposited savings from their outflows which is 2% (USD 1.5) of the total inflow they make in a week. 60% households from farmers have deposited saving of USD 5.7 which is 8% of their total weekly outflows. 57% households from informal workers have deposited 2% (USD 1.8) of their total weekly outflows. 40% RMG workers families deposited 4% (USD 3.9) of their outflows. Formal employees have the highest savings volume as they save 12% (USD 15.2) of their weekly outflows. 32% of the foreign remittance earners deposited 3% (USD 5.5) and 34% of poultry/livestock business deposited 2% (USD 6.6) of their outflows. Lower income households have a high savings penetration though the amount they save is less compare to high earning households. Occupations with higher inflows have less tendency to save compared to others. It shows the financial literacy in lower income group is remarkable and they try to be prepared about the future financial shocks by saving.

SPENDING ON FOOD, MEDICINE & MOBILE RECHARGE

| Profession | Food Consumption Cost Per Member (Daily) | Weekly Medicine Cost per HH (Weekly) | Mobile Recharge Cost Per HH (Weekly) |
|-----------------------------|--|--------------------------------------|--------------------------------------|
| Day labourers | 0.7 | 5.6 | 0.8 |
| Transport Workers | 0.6 | 1.1 | 0.6 |
| Farmers | 0.7 | 4.6 | 0.5 |
| Informal Workers | 0.7 | 3.0 | 1.5 |
| Small Businesses | 0.8 | 4.5 | 0.9 |
| RMG Workers | 1.0 | 2.6 | 0.9 |
| Employees | 1.1 | 5.6 | 1.8 |
| Remittance Earners | 1.0 | 5.7 | 1.0 |
| Poultry/Livestock/Fisheries | 0.9 | 5.1 | 1.4 |

Table 31: Households spending on Food, Medicine and Mobile Recharge

Another thought-provoking finding from this study is, these nine categories are all concern about their savings. They often spend less money on food consumption when they don't have much income as they have other wellbeing needs to fulfill as well. Transport workers, day labourers, farmers and informal sector workers who are having the least inflow are also spending less in food consumption against every household member. RMG workers, employees and foreign remittance earners who are having a good inflow in the households spend good amount of money for food consumption against every household member.

In the table, households weekly medicine cost has also been presented. It shows remittance earners, employees and day labourers spend the most for purchasing medicine. They almost spend the same amount of money though the inflow varies a lot in these groups. Day labourers are in least inflow generators yet they have a high medicine expense of USD 5.6. It may also indicate the nature of work they have physically degraded their health. Farmers also spend a good amount for buying medicine.

To understand the mobile usage pattern, employees, poultry/livestock business, informal workers spend the most for mobile recharge where as farmers, transport workers and day labourers spend the least. Here remittance earners are spending a good amount in purchasing data more than mobile recharge as the earner stays abroad and most of the time, they prefer to use social media as their mode to communicate.

DFS PENETRATION

| Profession | Mobile Money Wallet Per HH | Multiple Wallets Per HH | Weekly Transaction |
|-----------------------------|----------------------------|-------------------------|--------------------|
| Day labourer | 80% | 25% | – |
| Transport Workers | 80% | 10% | – |
| Farmers | 87% | 20% | – |
| Informal Workers | 100% | 14% | – |
| Small Business | 89% | 19% | 7.0 |
| RMG Workers | 93% | 47% | 13.1 |
| Employees | 87% | 38% | 56.0 |
| Remittance Workers | 93% | 07% | 28.6 |
| Poultry/Livestock/Fisheries | 83% | 10% | 16.8 |

Table 32: Households DFS penetration

The DFS landscape of our country has grown significantly in pandemic. In every income block wallet ownership has evolved rapidly to receive aid from government or different organisations. It was tough to provide support physically at that time. Government planned to transfer the money through digital financial service (DFS) wallet to help millions of households who were highly affected due to countrywide lockdown.

Informal workers have been seen as having the highest DFS penetration. 100% households were having at least one mobile wallet. 14% of those households were even having multiple wallets though there were no weekly transactions recorded. RMG workers and remittance earners had the second highest DFS penetration. Most of the RMG employers pay salary through DFS and this is the main reason behind the high penetration in DFS for this group. Adding to this, RMG workers also have the highest multiple wallets in the household and they make a weekly transaction of USD 13.1. For remittance earners, the reason behind this high penetration is the facility of receiving remittance through bKash (Leading Mobile Financial Service in Bangladesh). They also have DFS transaction of USD 28.6 on a weekly basis. Employees are also having a high penetration of 87%. 38% of the households were having multiple wallets and weekly they had USD 56 of DFS transactions.

Day labourers and transport workers are the least penetrating groups with no DFS transactions.

OVERALL SCENARIO

| Profession | Debt to Cash Inflow Ratio | Food to Cash Inflow Ratio | (Debt + Food) to Cash Inflow Ratio |
|-----------------------------|---------------------------|---------------------------|------------------------------------|
| Day labourers | 45% | 30% | 75% |
| Transport workers | 20% | 27% | 47% |
| Farmers | 25% | 34% | 59% |
| Informal Workers | 16% | 31% | 47% |
| Employees | 18% | 30% | 49% |
| Small businesses | 21% | 10% | 32% |
| Poultry/Livestock/Fisheries | 23% | 7% | 30% |
| RMG workers | 20% | 22% | 42% |
| Foreign Remittance | 39% | 20% | 59% |

Table 33: Households overall scenario

The main purpose of this study was to understand the vulnerability of the different occupational groups during COVID-19 pandemic through their households' financial transactions. We can have a glimpse of overall scenario from the above table. Day labourers spend 75% of their inflows on food and paying debt. After spending three fourth of their earnings they can hardly manage money to fulfill other wellbeing needs with the remaining one fourth inflows. It becomes very tough for them to sustain with this share as the weekly inflow is also very low for them. They even spend more on paying debt than buying foods for households. Farmers also spend 59% of their inflows in these two sections. Transport workers, informal workers also utilise half of their inflows which shows the vulnerability of these categories. Small business and poultry/livestock business, RMG workers spend the least in these sections and they are in good condition compared to others. Food cost is an unavoidable expense for all the families if they do not cultivate, whereas debt is the result of cash shortage that households fail to manage from their inflows. High share of debt means high share of deficit in the cash flow and high probability of inability in fulfilling wellbeing needs. Whenever households fail to fulfill their needs from their income they start borrowing more from formal or informal sources which again increase the debt ratio. If we think in a broader aspect, it is actually their forthcoming income which they are availing in present with a high cost due to the deficit.

CONCLUSION

Financial Diary is an effective tool in understanding the financial performances of bottom of the pyramid deeply where we can have a more close-up view, looking at the financial transactions of households to reveal a new type of financial insecurity. We can observe the details of their daily transactions and from there, it can be identified what is actually holding behind this segment to get out of poverty. We can also determine how households can manage the deficit in the long run so that they can utilise borrowings in building fixed assets rather spending on their day to day life.

From this research we can witness that in most of the income categories debt is one fourth on an average due to a huge deficit in income and expense. All the nine categories are highly dependent on debt and in seven categories out of the nine, they are borrowing to fulfil their daily requirements which they are not being able to cover with their income during this time of pandemic. Though they have debt in some cases which is very high in ratio, but they have bent to save money for upcoming days even if they are spending less on household food consumption. In this time of pandemic due to unavailability of adequate income source, these groups are highly affected which we can observe from their day to day transactions. They are spending majority of their earnings on food and debt to cope with this situation and are always in deficit which is eventually increasing their debt ratio. This is resulting poverty as they are using the debt to satisfy their daily requirement and not utilising it for income generating activity. The only way to guide and stabilise the low- and moderate-income population is by providing financial support so they can have steadiness in business continuation. It will also increase their ability to manage necessities for wellbeing and absorb shocks effectively.

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