

Provisional Data on Monetary Aggregates as on January 20th 2012

1) Broad Money (M2)

COMPONENTS	Stocks at End-June 2011	Yearly Flows		Monetary Impact Since	
		FY 10	FY 11	1st July to	
				20-Jan-12 ^P	22-Jan-11
A Currency in Circulation	1,501,409	143,212	206,025	169,685	250,513
B Other Deposits with SBP	10,145	2,000	3,482	-900	4,514
C Total Demand & Time Deposits incl. RFCDs ^{1/} of which Residents Foreign Currency Deposits (RFCDs)	5,183,640 374,945	494,803 65,074	708,453 29,508	114,841 25,430	189,844 26,963
Broad Money (M2)	6,695,194	640,015	917,960	283,626	444,871
<i>Growth</i>		12.46%	15.89%	4.24%	7.70%
Factors Affecting Broad Money (M2)					
A Net Foreign Assets of the Banking System ^{2/}	780,253	49,427	234,972	-182,965	139,023
B Net Domestic Assets of the Banking System (1+2+3) <i>Growth</i>	5,914,941	590,589	682,988	466,591	305,847
1 Net Government Sector Borrowings (a+b+c)	3,020,510	406,636	579,569	737,441	287,819
a Borrowings for Budgetary Support ^{3/}	2,601,622	330,437	590,163	813,798	344,581
(i) From SBP of which	1,200,658	44,005	-7,993	185,898	123,637
a) Federal Government (net)	1,239,785	30,138	98,035	166,951	177,076
of which deposits with SBP	-141,092	10,984	-103,939	80,315	6,223
b) Provincial Government	-39,713	12,757	-106,714	17,845	-53,338
Balochistan Government	7,646	-4,475	-12,241	-10,454	-19,580
Khyber Pakhtunkhwa Government	-26,471	-4,139	-21,637	5,119	-14,388
Punjab Government	11,872	5,482	-44,630	30,565	-6,268
Sindh Government	-32,760	15,889	-28,206	-7,385	-13,103
c) AJK Government	586	1,110	686	1,642	-100
d) Gilgit Baltistan Government	-	-	-	-539	0
(ii) From Scheduled banks (net)	1,400,964	286,433	598,156	627,899	220,944
a) Federal Government	1,663,747	309,514	616,743	621,259	224,493
of which deposits with banks	-379,086	-74,077	-71,379	31,510	-13,468
b) Provincial Government (net)	-262,783	-23,081	-18,587	6,641	-3,549
of which deposits with banks	-263,807	-23,081	-18,587	6,641	-3,549
b Commodity Operations	397,488	76,989	-15,703	-76,875	-59,338
c Others	21,400	-790	5,109	518	2,576
2 Credit to Non-Government Sector (a+b+c+d)	3,547,345	198,806	158,544	-63,699	172,151
a Credit to Private Sector	3,141,151	112,926	121,328	210,473	146,784
b Credit to Public Sectors Enterprises (PSEs)	411,538	85,028	36,505	-274,795	24,558
c PSEs Special Account-Debt Repayment with SBP	-23,915	0	-232	0	0
d Other Financial Institutions (SBP credit to NBFIs)	18,571	852	943	623	809
3 Other Items (net)	-652,914	-14,854	-55,126	-207,151	-154,122
Broad Money (M2)	6,695,194	640,016	917,960	283,626	444,871
<i>Growth</i>		12.46%	15.89%	4.24%	7.70%

Memorandum Items					
Accrued profit on SBP holdings of MRTBs	46,120	2,075	8,914	3,318	16,493
Outstanding amount of MTBs (realized value in auctions)	1,542,553	323,570	479,508	321,084	163,025
Net Government Budgetary Borrowings for Budgetary Support (Estimated on cash basis as done in government budget)					
From Banking System	2,523,300	304,563	588,748	777,393	320,910
From SBP	1,154,539	41,930	-16,907	182,581	107,144
From Scheduled Banks	1,368,762	262,633	605,655	594,813	213,766

P: Provisional

1/ Excluding inter-bank deposits, deposits of governments and foreign constituents.

2/ The treatment of SDR allocation changed from Equity to SBP foreign liability w.e.f. 30-06-2009 and onwards.

3/ Government's borrowing net of Federal, Provincial, Azad Kashmir and Gilgit Baltistan's deposit with SBP and Scheduled Banks. The (-) sign in govt. deposits shows a credit balance whereas (+) sign shows their debtor/withdrawal from the system

4/ Data on government deposits with scheduled banks are available only on monthly basis therefore, the previous month data were repeated in subsequent weeks till the availability of latest month data.

Government's borrowing mechanisms from the banking system are as follows:-

- Borrowings from scheduled banks is mainly through fortnightly auctioning of Market Treasury Bills (MTBs) of 3, 6 and 12-month maturities. Government of Pakistan also borrows long-term by quarterly auctioning of Pakistan Investment Bonds (PIBs) of 3, 5, 10, 15, 20 and 30 years maturities.
- Federal Government may also borrow directly from SBP either through Ways and Means Advance or purchase (by SBP) of Market Related Treasury Bills (MRTBs). The Ways and Means Advance is extended for Government borrowings up to Rs.100 million at an interest rate of 4 percent per annum whereas higher amounts are borrowed through SBP purchase of 6-month MTBs at the weighted average yield of 6-month MTB determined in the most recent fortnightly auction of treasury bills. The weighted average yield on 6-month MTB was 11.63 percent as a result of the auction conducted on 25th January 2012.
- Provincial Governments and the Government of Azad Jammu & Kashmir may also borrow directly from SBP through raising of their debtor balances (over drafts) within limits defined for them. An interest rate is charged on the borrowings which is weighted average of the weighted average yields of 6-month MTBs over the preceding three months. In case, the Provincial Governments or the Government of Azad Jammu & Kashmir borrow over and above the over draft limit, they are penalized by charging an incremental rate of 4 percent per annum.

Source: Based on weekly returns of scheduled banks for the week ending Friday.

Contact Person: Mr. GH Khaskheli (Sr. Joint Director), Monetary Statistics Division, Phone: 92 21 99221921

email: gh.khaskheli@sbp.org.pk

For Feedback: <http://www.sbp.org.pk/stats/survey/index.asp>