

Provisional Data on Monetary Aggregates as on November 2, 2018

1) Broad Money (M2)

Components	Stocks at End-June 2018	Flows		Monetary Impact Since	
		FY17	FY18	1 st July to	
				2-Nov-18 ^P	3-Nov-17
A. Currency in Circulation	4,387,828	577,531	476,513	73,474	306
B. Other Deposits with SBP	26,962	3,936	4,270	8,694	-124
C. Total Demand & Time Deposits incl. RFCDs ¹ of which Residents Foreign Currency Deposits (RFCDs)	11,582,372 829,355	1,174,562 68,082	935,497 174,015	-113,607 -2,760	-72,673 41,263
Broad Money (M2) (A+B+C)	15,997,162	1,756,029	1,416,280	-31,439	-72,491
Growth		13.69%	9.71%	-0.20%	-0.50%
Factors Affecting Broad Money (M2)					
A. Net Foreign Assets of the Banking System	-209,275	-405,548	-811,325	-259,099	-286,548
(i) State Bank of Pakistan	11,602	-204,094	-817,321	-185,372	-230,471
(ii) Scheduled Banks	-220,877	-201,455	5,996	-73,727	-56,078
B. Net Domestic Assets of the Banking System (1+2+3)	16,206,437	2,161,578	2,227,605	227,661	214,057
(i) State Bank of Pakistan	4,899,850	1,005,638	1,360,961	148,913	157,043
(ii) Scheduled Banks	11,306,588	1,155,940	866,644	78,748	57,014
Growth		18.29%	15.94%	1.40%	1.53%
1. Net Government Sector Borrowings (a+b+c)	10,199,311	1,136,052	1,243,715	166,500	436,004
a. Borrowings for Budgetary Support ²	9,392,601	1,087,259	1,110,528	212,972	447,855
(i) From SBP	3,613,047	907,866	1,262,939	2,793,816	323,594
a) Federal Government	3,667,260	710,316	1,226,636	2,956,653	473,423
of which deposits with SBP	-12,957	237,973	78,281	2,134	407
b) Provincial Government	-43,840	189,736	44,715	-151,650	-138,882
Balochistan Government	-5,329	16,797	-3,868	-20,171	-30,066
Khyber Pakhtunkhwa Government	-23,945	45,775	6,300	-25,927	-13,346
Punjab Government	-5,114	58,286	33,032	-60,815	-41,293
Sindh Government	-9,453	68,877	9,252	-44,736	-54,177
c) AJK Government	5,515	6,324	-1,764	-7,102	-5,317
d) Gilgit-Baltistan	-15,888	1,491	-6,649	-4,085	-5,631
(ii) From Scheduled banks	5,779,554	179,394	-152,411	-2,580,844	124,261
a) Federal Government	6,523,418	361,375	-107,981	-2,599,014	144,315
of which deposits with banks ³	-1,083,755	-167,023	-199,959	29,840	-42,748
b) Provincial Government	-743,864	-181,982	-44,430	18,170	-20,054
of which deposits with banks ³	-744,888	-181,982	-44,430	18,170	-20,054
b. Commodity Operations	819,680	49,934	133,172	-45,781	-11,014
c. Others	-12,971	-1,142	14	-690	-837
2. Credit to Non-Government Sector (a+b+c+d)	7,033,855	998,680	1,022,588	278,967	1,169
a. Credit to Private Sector*	5,972,968	747,926	775,495	221,429	20,005
Conventional Banking Branches	4,789,627	511,441	548,453	171,727	962
Islamic Banks	732,195	139,369	103,860	27,847	-13,256
Islamic Banking Branches of Conventional Banks	451,146	97,116	123,182	21,855	32,299
b. Credit to Public Sectors Enterprises (PSEs)	1,068,199	254,740	245,402	57,170	-19,012
c. PSEs Special Account-Debt Repayment with SBP	-24,244	0	0	0	0
d. Credit to NBFIs	16,932	-3,987	1,691	367	176
3. Other Items (net)	-1,026,729	26,847	-38,698	-217,807	-223,115
Broad Money (M2) (A+B)	15,997,162	1,756,029	1,416,280	-31,439	-72,491
Growth		13.69%	9.71%	-0.20%	-0.50%

Memorandum Items					
Accrued profit on SBP holdings of MRTBs/MTBs	73,623	19,980	23,161	18,818	-10,773
Outstanding amount of MTBs (realized value in auctions)	4,743,836	1,097,511	1,032,082	-2,200,918	621,374
Net Government Budgetary Borrowings (cash basis)	9,283,522	1,045,987	1,120,494	220,879	486,665
From SBP	3,539,424	887,885	1,239,778	2,774,997	334,367
From Scheduled Banks	5,744,098	158,101	-119,284	-2,554,119	152,298

P: Provisional

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

2/ Government's borrowing net of Federal, Provincial, Azad Kashmir's 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

3/ 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:-

(a) 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)/Sukuk of 3, 5, 10, 15, 20 and 30 years maturities.

(b) 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 MRTBs 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 8.82 percent as a result of the auction conducted on 10th October 2018. There after no bid has been received in 6-month T-bill auction.

(c) 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 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.

* Note: Islamic Financings, Advances (against Murabaha etc), Inventories and any Other related item(s) pertaining to Islamic Financing previously reported under Other Assets has been reclassified as credit to private sector. Details of reclassifications/revisions are available in revision study on SBP website at :

www.sbp.org.pk/ecodata/Revision_Monetary_Stats.pdf

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

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