Broad Money (M2)

Provisional Data on Monetary Aggregates as on Apr 12, 2024

(Million Rupees)

	Components	Stocks at End-June 2023	Flows		Monetary Impact Since 1st July to	
			FY22	FY23	12-Apr-24	14-Apr-23
A.	Currency in Circulation	9,148,739	662,528	1,576,273	-27,909	1,073,408
B.	Other Deposits with SBP	112,092	27,315	16,772	35,239	507
C.	Total Deposits with Banks[1]	22,262,423	2,615,094	2,327,574	1,899,466	298,757
	(i) Demand Deposits	20,002,277	2,407,943	2,243,076	1,662,680	232,152
	(ii) Time Deposits[7]	732,878	40,510	-229,979	266,884	-204,043
	(iii) Residents Foreign Currency Deposits (RFCDs)	1,527,268	166,641	314,478	-30,097	270,648
	Broad Money (M2) (A+B+C)	**31,523,253**	**3,304,937**	**3,920,620**	**1,906,797**	**1,372,673**
	Growth		13.60%	14.20%	6.05%	4.97%
	Factors Affecting Broad Money (M2)					
A.	**Net Foreign Assets of the Banking System**	**-2,687,737**	**-1,477,963**	**-1,934,497**	**411,237**	**-2,106,161**
	(i) State Bank of Pakistan[2]	-2,013,435	-1,490,417	-1,453,526	475,864	-1,579,193
	(ii) Scheduled Banks	-674,303	12,454	-480,971	-64,628	-526,968
B.	**Net Domestic Assets of the Banking System (1+2+3)**	**34,210,991**	**4,782,901**	**5,855,117**	**1,495,560**	**3,478,834**
	(i) State Bank of Pakistan	11,891,057	1,815,630	3,607,649	159,027	3,380,244
	(ii) Scheduled Banks	22,319,934	2,967,270	2,247,469	1,336,533	98,590
	Growth		20.29%	20.65%	4.37%	12.27%
1.	**Net Government Sector Borrowings (a+b+c)**	**23,723,097**	**3,357,731**	**4,100,247**	**4,465,779**	**2,379,996**
	a. Borrowings for Budgetary Support[3]	**22,254,392**	**3,133,004**	**3,747,924**	**4,830,275**	**2,404,832**
	(i) From SBP	5,250,087	-191,058	108,655	-310,253	-672,417
	a) Federal Government	5,922,566	14,392	195,900	-120,728	-448,367
	of which deposits with SBP	-725,239	7,667	283,819	-123,049	-629,370
	b) Provincial Government	-637,329	-200,968	-89,511	-167,323	-214,391
	Balochistan Government	-13,301	20,755	3,251	-48,605	-22,470
	Khyber Pakhtunkhwa Government	-59,000	30,501	-57,961	5,007	-22,984
	Punjab Government	-466,096	-232,949	-26,043	-112,254	-97,820
	Sindh Government	-98,933	-19,274	-8,759	-11,471	-71,117
	c) AJK Government	-14,358	-2,402	412	-19,029	-5,369
	d) Gilgit-Baltistan	-20,792	-2,080	1,854	-3,173	-4,290
	(ii) From Scheduled banks	17,004,305	3,324,062	3,639,270	5,140,528	3,077,249
	a) Federal Government	18,346,722	3,448,197	3,716,608	5,300,515	3,102,366
	of which deposits with banks[4]	-2,360,647	-361,075	-340,572	-80,768	-213,928
	b) Provincial Government	-1,342,417	-124,135	-77,338	-159,987	-25,117
	of which deposits with banks[4]	-1,343,441	-124,135	-77,338	-159,987	-25,117
	b. Commodity Operations	**1,485,909**	**229,656**	**352,254**	**-361,998**	**-22,495**
	c. Others	**-17,204**	**-4,929**	**69**	**-2,498**	**-2,341**
2.	**Credit to Non-Government Sector (a+b+c+d)**	**11,342,589**	**1,581,443**	**646,750**	**-54,806**	**595,354**
	a. Credit to Private Sector**	**9,167,094**	**1,329,740**	**208,285**	**45,542**	**218,029**
	Conventional Banking Branches	6,567,480	696,836	185,534	-54,475	235,008
	Islamic Banks	1,710,724	231,670	448,442	76,983	426,120
	Islamic Banking Branches of Conventional Banks	888,890	401,233	-425,691	23,033	-443,099
	b. Credit to Public Sectors Enterprises (PSEs)	**1,687,170**	**-43,299**	**293,724**	**-13,423**	**249,093**
	c. PSEs Special Account-Debt Repayment with SBP	**-24,244**	**0**	**0**	**0**	**0**
	d. Credit to NBFIs[6]	**512,569**	**295,002**	**144,741**	**-86,924**	**128,232**
3.	**Other Items (net)**	**-854,695**	**-156,274**	**1,108,120**	**-2,915,414**	**503,484**
	Broad Money (M2) (A+B)	**31,523,253**	**3,304,937**	**3,920,620**	**1,906,797**	**1,372,673**
	Growth		13.60%	14.20%	6.05%	4.97%

Memorandum Items					
Accrued profit on SBP holdings of government securities/ Charges/ Revaluation	309,818	45,777	205,505	303,117	482,151
Outstanding amout of MTBs (realized value in auctuions)	5,115,536	-486,173	-377,470	659,840	-882,150
Net Government Budgetary Borrowings (cash basis)	**21,863,082**	**3,082,919**	**3,532,306**	**4,363,610**	**1,913,708**
From SBP	4,940,269	-236,834	-96,850	-613,370	-1,154,568
From Scheduled Banks	16,922,813	3,319,753	3,629,156	4,976,980	3,068,276

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

2/ Quarter end NFA data includes interest accrued on Asian Clearing Union (ACU) balance, SDRs allocation, SDRs holdings, fund facilities and accrued expenses on portfolio investment account.

3/ 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

4/ Data on government deposits and RFCDs 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.

5/ An amount of Rs. 40,968 million for the payment of government letters of credit (LCs) payable in subsequent weeks after June 30, 2022 has been classified as 'government deposits' in the monetary data; this same amount was classified as 'other deposits' in SBP annual financial statements.

6/ W.e.f. June 30, 2022 scheduled banks' credit to NBFIs, earlier reported under Credit to Private Sector, is reclassified as Credit to NBFIs to harmonize this weekly report with Monthly Credit / Loans Classified by Borrower.

7/ W.e.f. February 24, 2023, other time liabilities - subject to SLR reclassified into other time liabilities - not subject to SLR which decreased time deposits with offsetting impact on other items net.

8/ W.e.f. January 06, 2023. Faysal Bank Ltd. classified into Islamic Bank

9/ Total may differ due to rouding off.

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

** **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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