



Monetary Policy Information Compendium

July 2015

Consolidated by

Statistics & DWH Department

STATE BANK OF PAKISTAN

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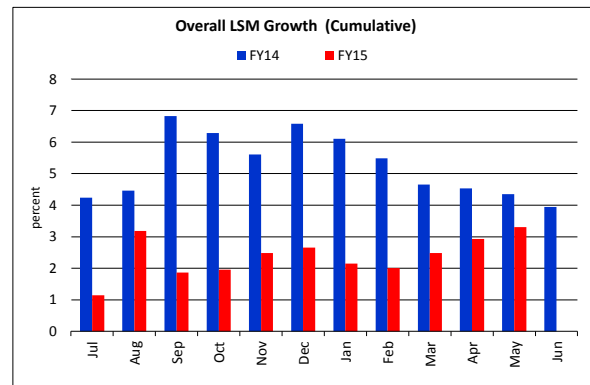
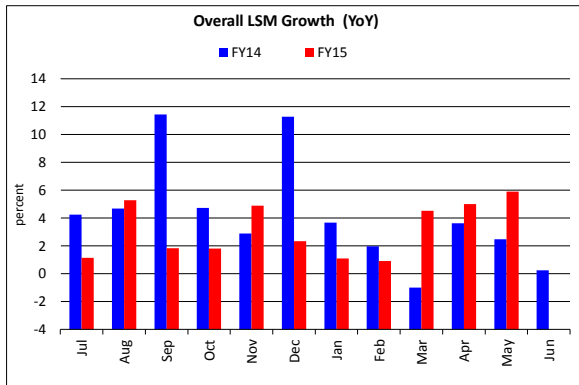


Growth

Cumulative growth of 3.3 percent has been recorded in the LSM sector for Jul-May FY15, compared to a growth of 4.4 percent during the same period last year.

Growth in Large Scale Manufacturing (LSM) Sector (percent)

Groups	Weights	YoY change				Cumulative change during Jul-May			
		May-15		May-14		FY15		FY14	
Overall	70.2	5.9		2.5		3.3		4.4	
Textile	20.9	↑	0.5	↑	1.3	↑	0.5	↑	1.4
Food, beverages and tobacco	12.4	↑	0.7	↓	-0.3	↓	-1.1	↑	7.9
Petroleum products	5.4	↑	9.9	↑	20.0	↑	5.7	↑	9.1
Iron and steel products	5.4	↑	41.9	↑	14.0	↑	36.5	↑	5.9
Non-metallic mineral products	5.4	↑	4.5	↑	3.9	↑	2.8	↑	0.6
Automobile	4.6	↑	37.1	↓	-7.4	↑	21.6	↓	-0.8
Fertilizer	4.4	↑	14.0	↓	-5.6	↑	3.3	↑	17.7
Pharmaceuticals	3.6	↑	11.3	↓	-0.5	↑	8.0	↓	-0.2
Paper and board	2.3	↓	-20.8	↑	15.9	↓	-8.6	↑	11.4
Electronics	2.0	↓	-7.8	↑	20.9	↑	5.4	↑	8.5
Chemicals	1.7	↑	11.1	↑	10.0	↑	8.1	↑	6.8
Leather products	0.9	↑	6.3	↑	12.7	↑	8.5	↑	11.8
Wood products	0.6	↓	-20.3	↓	-76.8	↓	-75.4	↓	-21.7
Engineering products	0.4	↓	-41.8	↑	28.3	↓	-17.2	↓	-14.1
Rubber products	0.3	↑	6.4	↑	19.8	↑	1.4	↑	11.3



Major crops have shown mixed trend in FY15.

Major Crops

	Production					Area under cultivation				Yield			
	(million tons)			percent change		(million hectares)		percent change		(Kg/hectare)		percent change	
	FY15 ^T	FY15 ^P	FY14 ^R	FY15 ^P over FY14 ^R		FY15 ^P	FY14 ^R	FY15 ^P over FY14 ^R		FY15 ^P	FY14 ^R	FY15 ^P over FY14 ^R	
Cotton ¹	15.1	13.9	12.8	↑	9.2	3.0	2.8	↑	5.5	801	774	↑	3.5
Sugarcane	65.5	62.7	67.5	↓	-7.1	1.1	1.2	↓	-2.7	54,910	57,511	↓	-4.5
Rice	6.8	7.0	6.8	↑	3.0	2.9	2.8	↑	3.7	2,423	2,437	↓	-0.6
Wheat	25.8	25.5	26.0	↓	-1.9	9.2	9.2	↓	-0.2	2,775	2,824	↓	-1.7

¹ Cotton production is stated in thousand bales of 375 lbs each.

^P: Provisional; ^T: Target; ^R: Revised

Sources: Pakistan Bureau of Statistics (PBS) and Planning Commission of Pakistan.



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Real GDP (Provisional) shows growth of 4.2 percent during FY15, lower than the target of 5.1 percent.

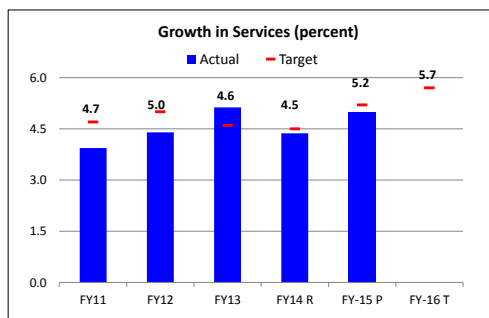
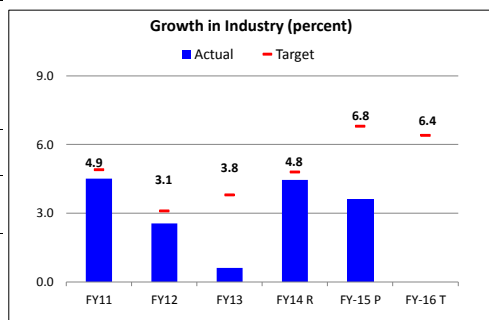
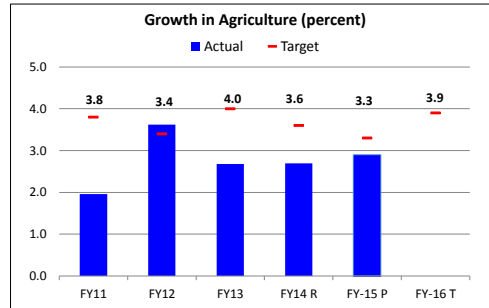
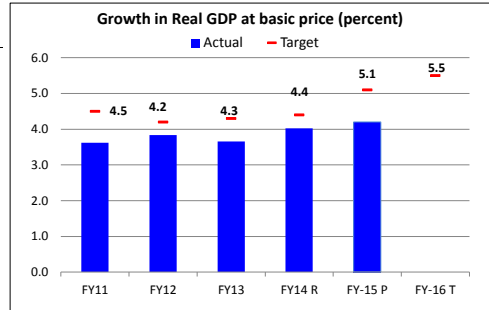
Production Approach - GDP at Constant Prices of 2005-06 (percent)

	FY15 ^P			FY14 ^R Growth
	Growth	Shares	Contribution	
Agriculture of which	2.9	20.9	0.6	2.7
Important crops	0.3	5.3	0.0	8.0
Other crops	1.1	2.3	0.0	-5.4
Livestock	4.1	11.8	0.5	2.8
Industry of which	3.6	20.3	0.7	4.5
Manufacturing	3.2	13.3	0.4	4.5
Large-scale ¹	2.4	10.6	0.3	4.0
Small-scale	8.2	1.7	0.1	8.3
Construction	7.0	2.4	0.2	7.2
Services of which	5.0	58.8	2.9	4.4
Wholesale & retail trade	3.4	18.3	0.6	4.0
Transport Storage and Communications	4.2	13.4	0.6	4.6
Finance & insurance	6.2	3.1	0.2	4.2
General Government Services	9.4	7.4	0.7	2.9
Real GDP (basic prices)	4.2	100.0	4.2	4.0
Real GDP (market prices)	5.5	105.5	5.8	4.7

	FY15 ^P	FY14 ^R	FY13
Real GDP (bp, billion Rs)	10,644	10,211	9,816
Nominal GDP (mp, billion Rs)	27,384	25,068	22,379
Nominal GDP (mp, billion US\$) ²	270	244	231

Expenditure Approach - GDP at Constant Prices of 2005-06 (percent)

	FY15 ^P			FY14 ^R Growth
	Growth	Shares ³	Contribution ³	
Consumption	5.1	88.1	4.4	4.9
Private	3.6	76.4	2.7	5.4
Government	16.0	11.7	1.6	1.5
Fixed capital formation	8.3	13.4	1.0	4.2
Private	3.2	9.8	0.3	6.2
Public plus general government	25.1	3.6	0.7	-1.9
Changes in stocks	5.5	1.6	0.1	4.7
Net exports of goods and nonfactor services	4.2	-3.1	-0.1	-0.2
Exports of goods and non-factor services	-2.6	10.6	-0.3	-1.6
Imports of goods and non-factor services	-1.1	13.7	-0.2	0.2
GDP (market prices)	5.5	100.0	5.5	4.7
Indirect Taxes	18.7	5.9	1.0	7.8
Subsidies	-39.9	0.7	-0.5	-26.0
GDP (basic prices)	4.2	94.8	-	4.0
Total domestic demand⁴	5.5	103.1	5.5	4.8



Note: Targets, except for FY16, shown in the graphs are based on FY00 prices (as base year).

¹ For FY15, LSM data pertains to Jul-Apr; ² GDP in dollar terms is calculated using average exchange rate during the year FY15

³ Shares and contributions in GDP growth are based on real GDP(mp).

⁴ Domestic demand is calculated as sum of consumption, fixed capital formation and change in stock expenditures on real GDP.

Source: Pakistan Bureau of Statistics; ^R: Revised; ^P: Provisional; Basic price (bp): The basic price is the price the producer gets on output excluding any taxes on the products and including any subsidies on the products.

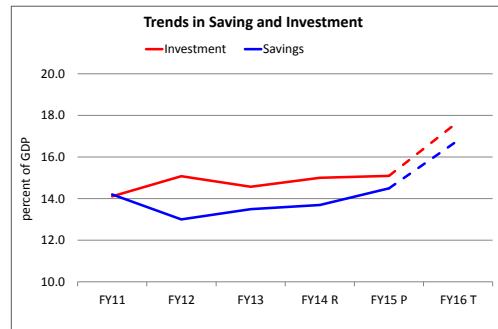


Saving and Investment

Savings-investment gap in FY15 improved significantly since the national savings as percent of GDP increased to 14.5 in FY15 from 13.7 percent in FY14.

Saving and Investment (at current market prices-2005-2006)
as percent of GDP

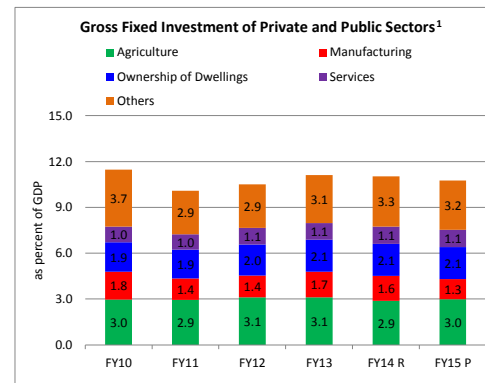
	FY16	Actual	
	Target	FY15 ^P	FY14 ^R
A. Investment	17.7	15.1	15.0
Gross fixed investment	16.1	13.5	13.4
Private sector	12.2	9.7	10.0
Public including general public	4.0	3.9	3.4
Change in capital stocks	1.6	1.6	1.6
B. National savings	16.8	14.5	13.7
C. Domestic savings	-	-	-
Saving investment gap (B - A)	-0.9	-0.6	-1.3



Gross fixed investment in the Manufacturing and Transport & communication sectors as percent of GDP have declined in FY15.

Gross Fixed Investment of Private and Public Sectors¹ at Current Market prices

	FY15 ^P		FY14 ^R
	As percent of GDP	Percent share in total	As percent of GDP
Agriculture	3.0	27.8	2.9
Mining and quarrying	0.3	2.8	0.3
Manufacturing	1.3	12.2	1.6
Construction	0.2	2.0	0.2
Electricity and gas	0.6	5.8	0.6
Transport and communication	1.6	15.1	1.8
Wholesale and retail trade	0.3	2.5	0.3
Finance and insurance	0.2	1.7	0.2
Ownership of dwellings	2.1	19.4	2.1
Services	1.1	10.6	1.1
Total	10.8	100.0	11.0



¹ Economic category wise distribution of government's gross fixed investment is not available.

^P: Provisional; ^R: Revised;

Source: Pakistan Bureau of Statistics and Planning Commission of Pakistan,



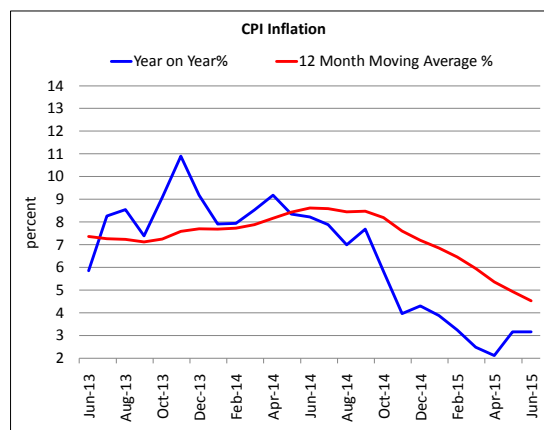
Inflation

(Calculated from price indices with base year 2007-08)

Headline CPI inflation (YoY) remained unchanged at 3.2 percent in June 2015 as compared to the previous month.

Consumer Price Index (CPI) (percent change)

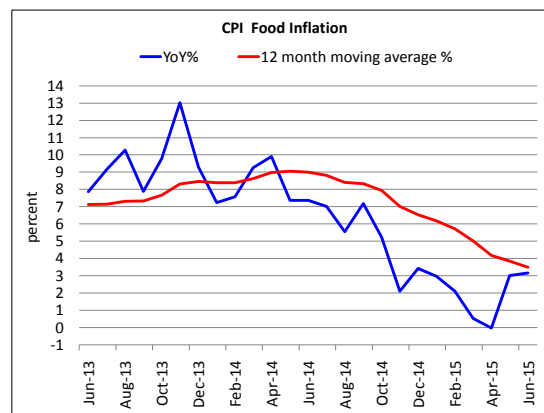
	MoM ¹	MoM SA ²	YoY ³	12M moving average ⁴
Jun-14	0.6	0.7	8.2	8.6
Jul-14	1.7	0.8	7.9	8.6
Aug-14	0.3	0.0	7.0	8.4
Sep-14	0.4	0.3	7.7	8.5
Oct-14	0.2	0.0	5.8	8.2
Nov-14	-0.5	-0.1	4.0	7.6
Dec-14	-1.0	0.2	4.3	7.2
Jan-15	0.1	-0.2	3.9	6.8
Feb-15	-0.9	0.0	3.2	6.5
Mar-15	0.2	0.0	2.5	5.9
Apr-15	1.3	0.5	2.1	5.4
May-15	0.8	1.0	3.2	4.9
Jun-15	0.6	0.7	3.2	4.5
3-year average for June.	0.7	0.7	5.7	



CPI food inflation (YoY) has increased to 3.2 percent in June 2015 from 3.0 percent in the previous month.

CPI - Food (37.48 % weight in basket) (percent change)

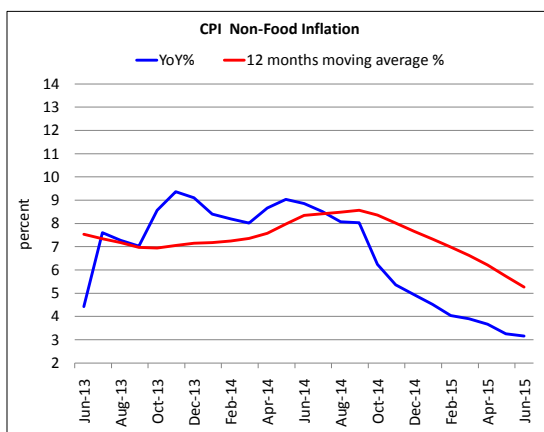
	MoM ¹	MoM SA ²	YoY ³	12M moving average ⁴
Jun-14	1.0	1.0	7.4	9.0
Jul-14	2.7	0.8	7.0	8.8
Aug-14	0.6	-0.2	5.6	8.4
Sep-14	0.0	-0.1	7.2	8.3
Oct-14	-0.2	-0.2	5.2	7.9
Nov-14	-0.4	-0.2	2.1	7.0
Dec-14	-2.1	0.2	3.4	6.5
Jan-15	-0.5	-0.6	3.0	6.2
Feb-15	-1.8	0.0	2.1	5.7
Mar-15	0.5	-0.2	0.5	5.0
Apr-15	1.4	0.4	0.0	4.2
May-15	1.8	2.0	3.0	3.8
Jun-15	1.2	1.2	3.2	3.5
3-year average for June.	1.1	1.1	6.1	



CPI non-food inflation (YoY) has decreased to 3.2 percent in June 2015 from 3.3 percent in the previous month.

CPI - Non Food (62.52 % weight in basket) (percent change)

	MoM ¹	MoM SA ²	YoY ³	12M moving average ⁴
Jun-14	0.3	0.4	8.9	8.3
Jul-14	1.0	0.8	8.5	8.4
Aug-14	0.2	0.2	8.1	8.5
Sep-14	0.6	0.6	8.0	8.6
Oct-14	0.5	0.0	6.2	8.4
Nov-14	-0.6	0.0	5.4	8.0
Dec-14	-0.2	0.2	4.9	7.7
Jan-15	0.5	0.1	4.5	7.3
Feb-15	-0.3	0.0	4.0	7.0
Mar-15	0.0	0.2	3.9	6.6
Apr-15	1.3	0.6	3.7	6.2
May-15	0.0	0.3	3.3	5.7
Jun-15	0.2	0.3	3.2	5.3
3-year average for June.	0.3	0.4	5.5	



Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.

¹ Month-on-Month; ² Month-on-month changes in seasonally adjusted series; ³ Year-on-Year; ⁴ These changes are calculated on the basis of 12 month average of CPI over the 12 month average of preceding year.

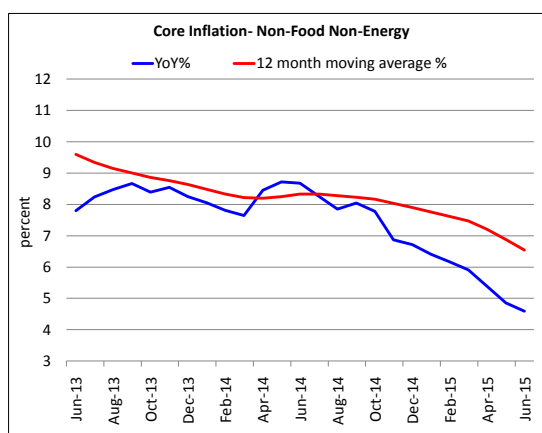


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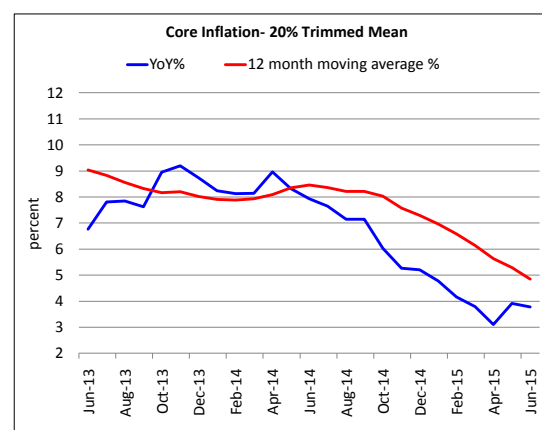
The non-food non-energy (NFNE) core inflation (YoY) has decreased to 4.6 percent in June 2015 from 4.9 percent in the previous month.

Core Inflation - Non-food non-energy (53.52% weight in basket) (percent)			
	MoM	YoY	12M moving average
Jun-14	0.4	8.7	8.3
Jul-14	1.1	8.3	8.3
Aug-14	0.2	7.8	8.3
Sep-14	0.7	8.0	8.2
Oct-14	0.6	7.8	8.2
Nov-14	-0.5	6.9	8.0
Dec-14	0.1	6.7	7.9
Jan-15	0.7	6.4	7.8
Feb-15	0.0	6.2	7.6
Mar-15	0.0	5.9	7.5
Apr-15	1.4	5.4	7.2
May-15	0.0	4.9	6.9
Jun-15	0.1	4.6	6.5
3-year average for June.	0.3	7.0	



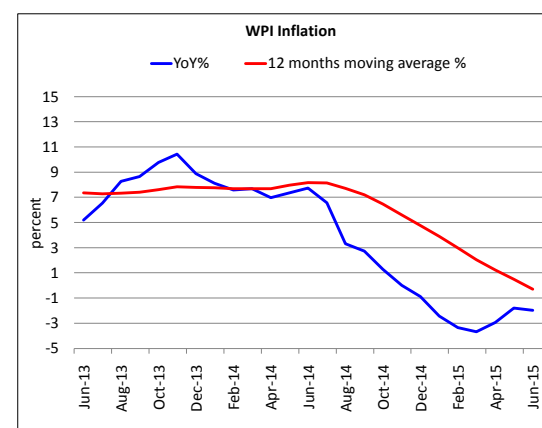
The 20 percent trimmed mean measure of core inflation (YoY) has decreased to 3.8 percent in June 2015 from 3.9 percent in the previous month.

Core - 20% Trimmed (percent change)			
	MoM	YoY	12M moving average
Jun-14	0.3	7.9	8.5
Jul-14	0.8	7.6	8.4
Aug-14	0.2	7.1	8.2
Sep-14	0.2	7.1	8.2
Oct-14	0.4	6.0	8.0
Nov-14	0.1	5.3	7.6
Dec-14	0.0	5.2	7.3
Jan-15	0.3	4.8	7.0
Feb-15	-0.2	4.2	6.6
Mar-15	0.0	3.8	6.1
Apr-15	0.6	3.1	5.6
May-15	0.1	3.9	5.3
Jun-15	0.2	3.8	4.9
3-year average for June.	0.4	6.2	



The WPI inflation (YoY) stood at -2.0 percent in June 2015 compared to -1.8 percent in previous month.

Wholesale Price Index (WPI) (percent change)				
	MoM	MoM SA	YoY	12M moving average
Jun-14	1.4	0.8	7.7	8.2
Jul-14	0.5	0.3	6.6	8.1
Aug-14	-0.5	-1.0	3.3	7.7
Sep-14	0.2	0.3	2.7	7.2
Oct-14	-0.3	-0.2	1.3	6.5
Nov-14	-1.0	-0.5	0.0	5.6
Dec-14	-1.9	-0.9	-0.9	4.8
Jan-15	-1.0	-1.1	-2.4	3.9
Feb-15	-1.1	-0.8	-3.4	3.0
Mar-15	0.0	-0.3	-3.7	2.0
Apr-15	0.9	0.3	-2.9	1.2
May-15	1.1	1.3	-1.8	0.5
Jun-15	1.2	0.5	-2.0	-0.3
3-year average for June.	1.2	0.59	3.7	



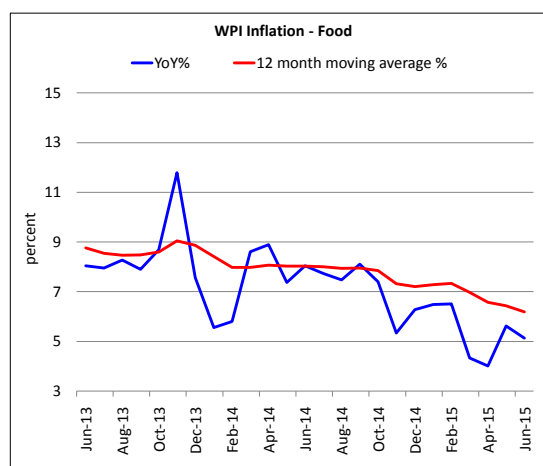
Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.



WPI food inflation (YoY) has decreased to 5.1 percent in June 2015 from 5.6 percent in the previous month.

WPI -Food (38.82% weight in basket) (percent change)

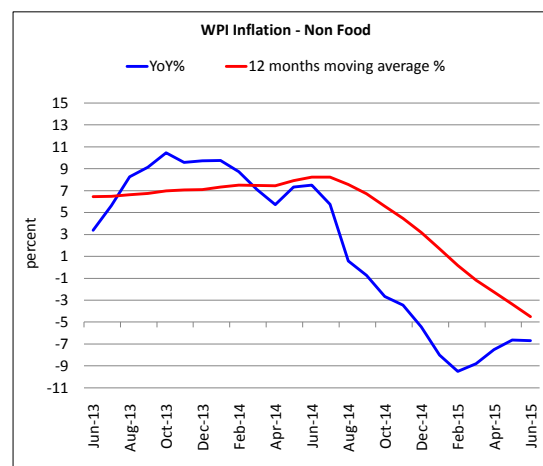
	MoM	MoM SA	YoY	12M moving average
Jun-14	2.4	1.1	8.0	8.0
Jul-14	2.0	0.9	7.7	8.0
Aug-14	0.8	0.3	7.5	7.9
Sep-14	0.5	0.5	8.1	8.0
Oct-14	0.3	0.4	7.4	7.8
Nov-14	-0.8	0.0	5.3	7.3
Dec-14	-1.7	0.0	6.3	7.2
Jan-15	0.0	0.3	6.5	7.3
Feb-15	-0.5	0.4	6.5	7.3
Mar-15	-0.1	-0.4	4.3	7.0
Apr-15	1.5	0.6	4.0	6.6
May-15	1.2	1.3	5.6	6.4
Jun-15	1.9	0.6	5.1	6.2
3-year average for June.	2.0	0.8	7.1	



WPI non-food inflation (YoY) stood at -6.7 percent in June 2015 compared to -6.6 percent in previous month.

WPI - Non Food (61.18% weight in basket) (percent change)

	MoM	MoM SA	YoY	12M moving average
Jun-14	0.7	0.5	7.5	8.2
Jul-14	-0.4	-0.1	5.8	8.2
Aug-14	-1.3	-1.8	0.6	7.6
Sep-14	-0.1	0.2	-0.7	6.7
Oct-14	-0.7	-0.7	-2.7	5.6
Nov-14	-1.2	-0.9	-3.4	4.5
Dec-14	-2.0	-1.5	-5.4	3.2
Jan-15	-1.8	-2.1	-8.0	1.7
Feb-15	-1.5	-1.6	-9.5	0.2
Mar-15	0.1	-0.2	-8.8	-1.2
Apr-15	0.4	0.1	-7.5	-2.2
May-15	1.0	1.2	-6.6	-3.4
Jun-15	0.7	0.4	-6.7	-4.5
3-year average for June.	0.6	0.5	1.4	

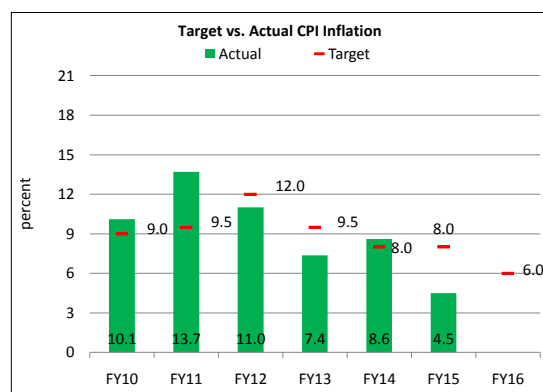


Average CPI inflation is recorded at 4.5 percent in FY15 compared to 8.6 percent in FY14.

Average CPI and WPI Inflation (percent change)

	CPI			WPI
	Headline	Food	Non Food	
FY-14	8.6	9.0	8.3	8.2
FY-15	4.5	3.5	5.3	-0.3

Source: Pakistan Bureau of Statistics, Statistics and Data Warehouse Department (S&DWD), SBP.





CPI and SPI Inflation by Groups

Compared to the previous month, the headline CPI inflation (YoY) stood the same in June 2015 as the decrease due to non food group was almost offset by an increase in the food group.

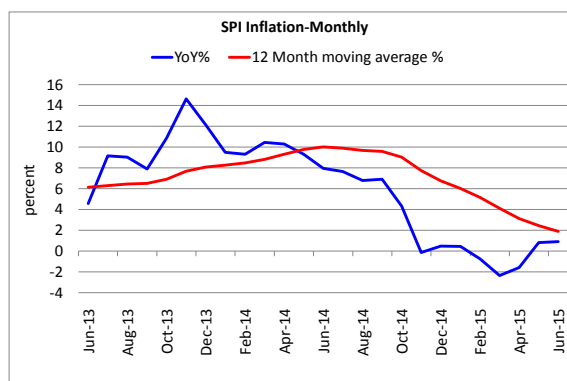
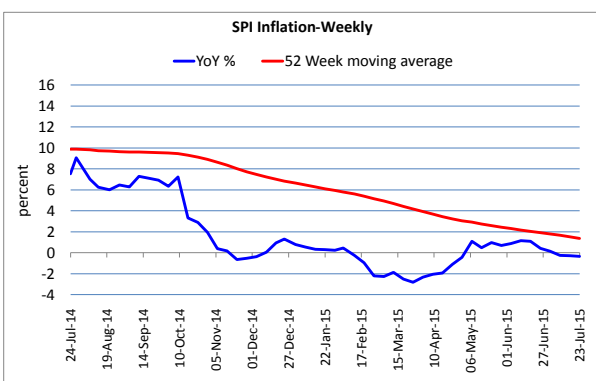
Group-Wise CPI Inflation

Groups	Weights	Jun-15			May-15		
		MoM	YoY	12m MA ¹	MoM	YoY	12m MA ¹
I. Food group	37.5	1.2	3.2	3.5	1.8	3.0	3.8
Food and non-alcoholic beverages	34.8	0.6	2.4	2.6	1.9	2.2	2.9
Alcoholic beverages and tobacco	1.4	13.3	17.5	20.8	0.9	20.3	22.1
Restaurant & hotels	1.2	0.3	4.4	7.0	0.3	4.4	7.7
II. Non-food group	62.5	0.2	3.2	5.3	0.0	3.3	5.7
Clothing and footwear	7.6	0.5	5.6	8.0	0.2	6.1	8.4
Housing, water, electricity, gas fuels	29.4	0.0	4.9	6.3	0.0	4.9	6.7
Furnishing & household equipment maintenance etc.	4.2	0.4	3.7	6.5	-0.1	4.4	7.1
Health	2.2	0.2	3.3	5.4	0.0	3.3	5.7
Transport	7.2	1.0	-8.5	-4.1	0.1	-9.3	-3.0
Communication	3.2	0.0	0.3	0.3	0.0	0.4	0.3
Recreation and culture	2.0	0.0	2.2	3.5	0.1	2.4	3.9
Education	3.9	0.0	9.6	13.8	0.0	10.8	14.4
Miscellaneous	2.8	0.1	3.8	5.2	-0.4	3.6	5.4
Overall	100	0.6	3.2	4.5	0.8	3.2	4.9

SPI inflation decreased to 0.08 percent during the 4th week of July 2015 from 0.20 percent in the previous week.

Sensitive Price Indicator (SPI) (percent change)

Income groups	2-Jul-15	9-Jul-15	16-Jul-15	23-Jul-15	Jun-15		
	WoW ²				MoM	YoY	12m MA ¹
Up to Rs 8000	0.23	-0.21	0.22	-0.02	1.0	1.1	1.7
Rs 8001-12000	0.26	-0.20	0.21	0.02	1.1	1.1	1.8
Rs 12001-18000	0.29	-0.19	0.21	0.05	1.1	1.4	2.3
Rs 18001-35000	0.31	-0.18	0.20	0.10	1.3	1.2	2.2
Above Rs 35000	0.32	-0.14	0.19	0.13	1.6	0.4	1.5
All	0.30	-0.17	0.20	0.08	1.3	0.9	1.9



¹ Twelve month moving average inflation ² WoW: Week on Week.

Sources: Pakistan Bureau of Statistics



Balance of Payments

External current account balance witnessed a deficit of US\$ 2.28 billion during FY15, compared to a deficit of US\$ 3.13 billion in the same period last year.

Balance of Payments Summary (million US\$)

Items	Jul-Jun		
	FY15	FY14	FY13
A) Current account balance (CAB)	-2,280	-3,130	-2,496
Trade balance	-17,119	-16,701	-15,431
Exports	24,131	25,068	24,795
Imports	41,250	41,769	40,226
Services (net); of which	-2,437	-2,551	-1,472
CSF	1,452	1,050	1,806
Income (net)	-4,480	-3,943	-3,685
Current transfers (net); of which	21,756	20,065	18,092
Remittances	18,454	15,837	13,922
B) Capital and financial (C&F) account balance ; of which	4,897	7,410	813
Foreign direct investment (net) ¹	642	1,572	1,258
Foreign portfolio investment (net)	1,902	2,760	26
Other investment assets	1	211	-314
Other investment liabilities	1,981	1,010	-421
Of which : General government	1,298	1,610	248
of which: Disbursements	4,102	4,349	2,530
Amortization	2,804	2,734	2,282
C) Net Errors and omissions	19	-422	-309
Overall balance (A+B+C)	2,636	3,858	-1,992
SBP gross reserves²	14,843	10,509	7,197
SBP net liquid reserves³	13,532	9,097	6,007
As percent of GDP⁴			
Current account balance; of which	-0.8	-1.3	-1.1
Exports	8.9	10.3	10.7
Imports	15.3	17.2	17.4
Capital and financial inflows; of which	1.8	3.0	0.4
FDI	0.2	0.6	0.5

¹ Net FDI equals direct investment by foreigners in Pakistan less direct investment made by Pakistanis abroad.

² SBP gross reserves includes banks' deposits for meeting cash reserve requirements (CRR) against their foreign currency deposits and foreign currency cash holdings of SBP, but it excludes unsettled claims on RBI. ³ SBP reserves without CRR and foreign currency cash holding of SBP.

⁴ For FY14 revised, provisional GDP has been used and average exchange rate has been used to calculate GDP in US\$.

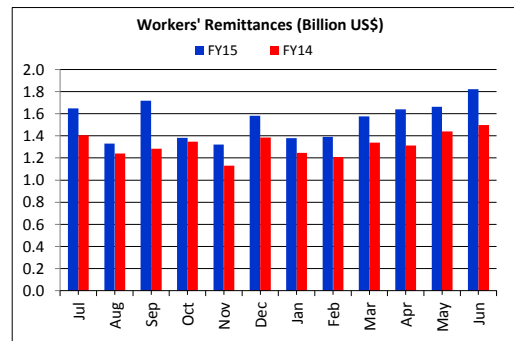
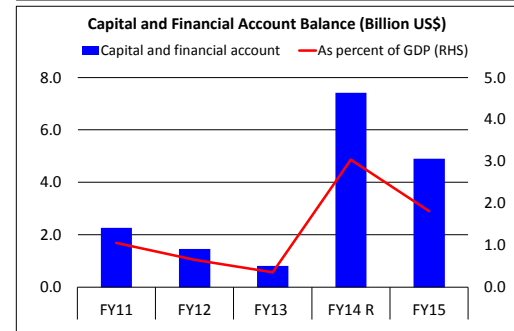
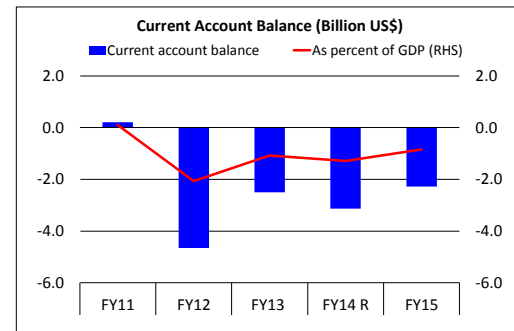
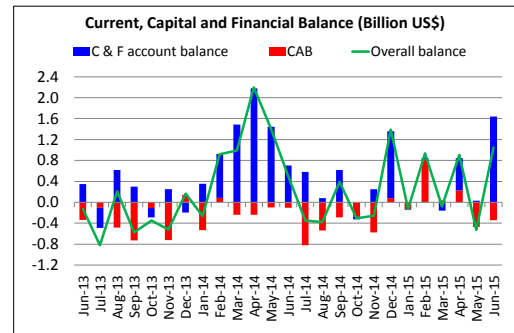
Workers' remittances registered a growth of 16.5 percent during FY15.

Workers' Remittances⁵ (million US\$)

Share (in percent) is calculated as a ratio of cumulative flow of a group (item) to	Jul-Jun		YoY growth in Jul-Jun FY15
	FY-15	FY14	
Total inflows	18,454	15,838	16.5
USA	2,586	2,468	4.8
UK	2,287	2,180	4.9
Saudi Arabia	5,630	4,729	19.1
UAE	4,207	3,110	35.3
Other GCC ⁶	2,152	1,860	15.7
All others	1,592	1,491	6.8

⁵ Only cash, ⁶ Kuwait, Qatar, Bahrain and Oman.

Source: Statistics & Data Warehouse Department (S&DWD), SBP.





Trade and Foreign Investment

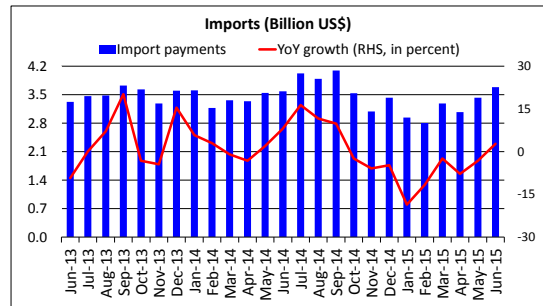
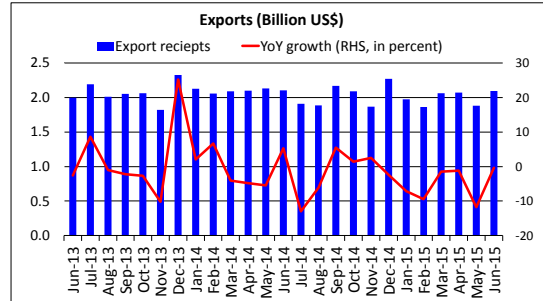
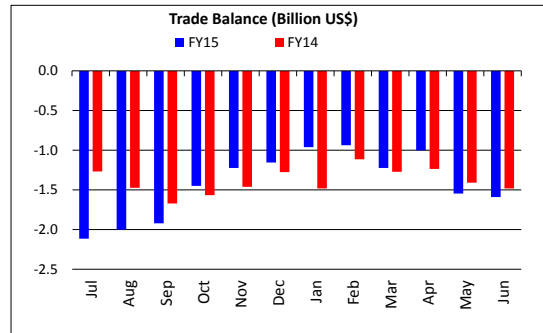
Trade Balance witnessed a deficit of US\$ 17.12 billion during FY15, compared to a deficit of US\$ 16.70 billion in the same period last year.

Trade in Goods -Major Groups (million US\$)

	Jul-Jun		Shares ¹ Jul-Jun FY15
	FY15	FY14	
Exports	24,131	25,068	100
Textile group	13,528	13,659	56
Knitwear, bed wear	4,464	4,256	19
Cotton cloth	2,485	2,734	10
Cotton Yarn	1,817	2,053	8
Readymade garments	2,043	1,834	8
Other manufactures group	4,407	4,479	18
Chemical and pharma	1,248	1,138	5
Leather items ²	1,073	1,084	4
Cement	417	487	2
Engineering goods	275	317	1
Jewellery	11	61	0
Food group	4,395	4,241	18
Rice	2,036	2,108	8
All others	1,801	2,690	7
Imports	41,250	41,769	100
Petroleum group	12,145	14,774	29
Petroleum products	7,752	9,020	19
Petroleum crude	4,393	5,755	11
Machinery group	5,610	5,053	14
Telecom	1,225	1,217	3
Electrical machinery	935	722	2
Power machinery	814	675	2
Agriculture & other chemicals group	6,699	6,862	16
Plastic materials	1,772	1,680	4
Fertilizer manufactured	700	694	2
Food group	4,625	4,147	11
Palm oil	1,682	1,922	4
Tea	364	301	1
Metal group	3,247	2,700	8
Iron steel (IS) and IS scrap	2,675	2,142	6
All others	8,924	8,233	22
Trade Balance	-17,119	-16,701	

¹ Share (in percent) is calculated as a ratio of cumulative flow of a group (item) to cumulative flow of total exports/imports during Jul-Jun FY15.

² Includes tanned and manufactured leather.

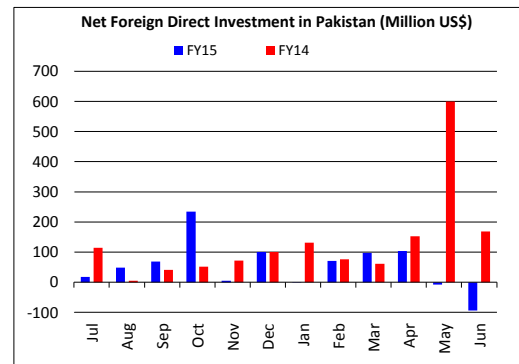


FDI (net) inflows registered a significant decrease of 58.2 percent during FY15.

Net Foreign Direct Investment (FDI) in Pakistan (million US\$)

	Jul-Jun		YoY growth in Jul-Jun FY15
	FY15	FY14	
Net inflows: Of which	709	1,699	-58.2
Selected Countries			
USA	239	212	12.5
UAE	222	-47	571.9
UK	100	157	-36.3
China	230	696	-67.0
Selected Sectors			
Communication	100	434	-76.9
Financial businesses	112	193	-41.7
Oil and gas exploration	248	502	-50.6
Power	127	71	77.8
Trade	59	-3	1,934.2
Memorandum Item:			
Net overall FDI³	642	1572	

Source: Statistics & Data Warehouse Department (S&DWD), SBP.



³ These numbers correspond to net FDI flows given in the balance of payments table and adjusted for net FDI made by Pakistanis abroad.



Monetary Policy Information Compendium

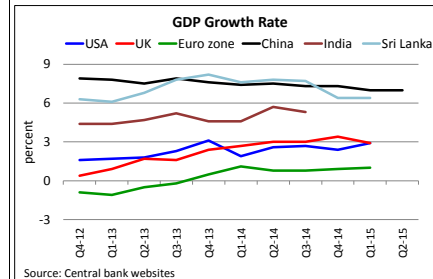
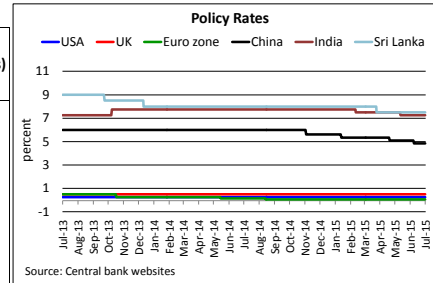
July 2015

Global Economy

The Three Central Banks have Changed their Policy rates during the last two months.

Policy Rates in Major Economies

Major economies	Current		Previous policy rate	Change (bps)
	Policy rate	w.e.f		
USA	0.25	16-Dec-2008	1.00	↓ -75
UK	0.50	5-Mar-2009	1.00	↓ -50
Euro zone	0.05	4-Sep-2014	0.15	↓ -10
Japan	0.10	19-Dec-2008	0.30	↓ -20
Canada	0.75	15-Jul-2015	1.00	↓ -25
Australia	2.00	5-May-2015	2.25	↓ -25
China	4.85	29-Jun-2015	5.10	↓ -25
India	7.25	2-Jun-2015	7.50	↓ -25
Sri Lanka	7.50	Apr 15 2014	8.00	↓ -50
Malaysia	3.25	10-Jul-2014	3.00	↑ 25
Indonesia	7.50	17-Feb-2015	7.75	↓ -25
Thailand	1.50	29-Apr-2015	1.75	↓ -25



Real GDP growth in most of the countries has decreased in Q2-CY15 as compared to the Q2-CY14.

Key Macroeconomic Indicators

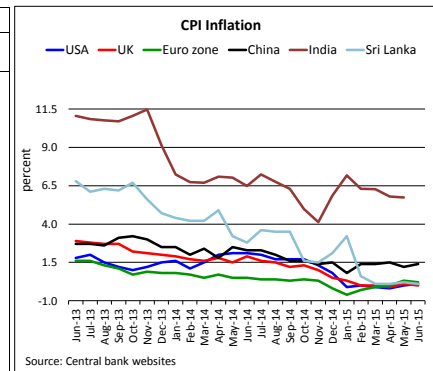
	Inflation (YoY) ¹ Jun-15	GDP growth ² Q2-2015	Current account balance ³	Fiscal balance ³	Reserves ⁵ (billion US\$) May-15	Lending rates ⁶	
			as a percent of GDP ⁴			Nominal	Real
USA	0.1	2.9	-2.6	-2.5	39.0	3.3	3.3
UK	0.0	2.9	-4.8	-4.4	92.7	0.5	0.6
Euro zone	0.2	1.0	2.5	-2.1	236.6	7.1	7.1
Japan	0.5	-0.9	2.4	-6.8	1188.7	1.2	-1.0
Australia	1.3	2.3	-3.2	-2.3	47.5	5.7	3.9
China	1.4	7.0	3.0	-2.7	3730.0	5.4	3.9
India	5.7	5.3	-1.0	-4.1	327.2	10.3	4.0
Sri Lanka	0.1	6.4	-	-	6.5	6.4	4.3
South Korea	0.7	2.2	7.5	0.4	360.5	3.6	3.2
Malaysia	2.5	5.6	3.4	-4.2	102.4	4.7	2.9
Indonesia	7.3	4.7	-2.9	-1.9	105.1	12.8	6.0
Thailand	-1.1	3.0	2.3	-2.0	150.6	6.5	7.8

¹ Values of Inflation of Japan and India pertains to May, 2015 and Inflation of Australia pertains to Q1 of 2015 ; ² Annual growth, measured as a percentage change over the same quarter of previous year, GDP growth of USA, UK, Euro zone, Japan, Australia, Sri Lanka, Malaysia, Indonesia, and Thailand pertains to Q1 of 2015 and India pertains to Q3 of 2014 ; ³ Latest 12 months; ⁴ The Economist, Economic and Financial Indicators, July 24, 2015; ⁵ IMF (IFS) Reserve position data pertains to May 2015 except for India and South Korea pertains to April 2015, China pertains to March 2015 and Sri Lanka pertains to February 2015 ; ⁶ IMF (IFS) data pertains to May 2015 except for UK, Euro Zone, Malaysia, Indonesia and China pertains to April 2015, India and South Korea pertains to March 2015, Japan and Australia pertains to February 2015 and Sri Lanka pertains to December 2014.

IMF's world output growth projection for 2015 is 3.3 percent in July 2015.

World Economic Outlook - Real GDP Growth

	2014 (IMF estimates)	2015 Projections		
		IMF ¹	World Bank ²	OECD ³
World output	3.4	3.3	2.8	-
Advanced⁴	1.8	2.1	2.0	-
US	2.4	2.5	2.7	2.0
Euro area	0.8	1.5	1.5	1.4
Japan	-0.1	0.8	1.1	0.7
UK	2.9	2.4	2.6	2.4
Emerging & Developing	4.6	4.2	4.4	-
Russia	0.6	-3.4	-2.7	-3.1
China	7.4	6.8	7.1	6.8
India	7.3	7.5	7.5	6.9
ASEAN-5	4.6	4.7	-	-



Sources: Bloomberg, World Bank, IMF, OECD, The Economist, World Economic Outlook, and Central Bank Websites. ¹ IMF Projections of July 2015 ,

² World Bank Projection of June 2015, ³ OECD Projections of June 2015. ⁴ World Bank projections are for "high income" countries.



Monetary Policy Information Compendium

July 2015

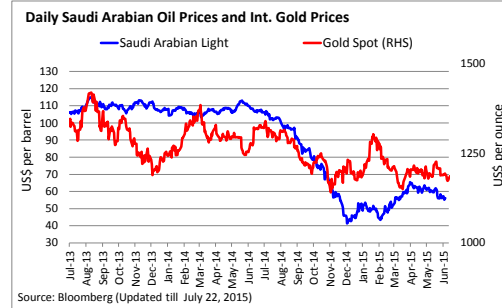
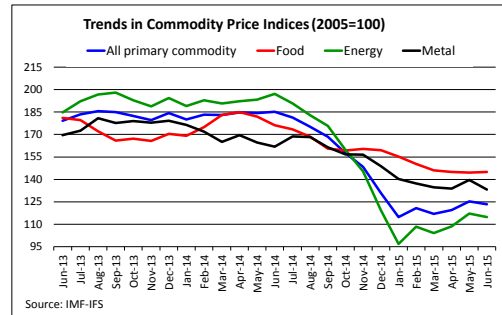
All commodity price index by IMF has registered a decline of 1.6 percent during June 2015 over previous month.

World Commodity Price Indices (2005=100)

	Jun-15	Percent change since	
		May-15	End June - 14
All commodity price index	123.3	↓ -1.6	↓ -33.4
Food price index	145.0	↑ 0.4	↓ -17.7
Energy index	114.9	↓ -1.9	↓ -41.7
Non fuel price index	137.7	↓ -1.2	↓ -16.3
Metal price index	133.2	↓ -4.6	↓ -17.7
Crude oil price (\$/bbl) *	57.5	↓ -6.3	↓ -47.6
Cotton spot (US cents/ pound) *	67.1	↓ -0.1	↓ -19.0
Palm oil (\$/m. ton)	606.4	↑ 0.8	↓ -20.0
Soya bean Oil (\$/m. ton)	738.0	↑ 3.0	↓ -15.3
Wheat (\$/m. ton)	209.9	↓ -2.5	↓ -31.5
Gold spot (\$/Oz) *	1146.6	↓ -3.0	↓ -10.6
Sugar (US cents/pound)	24.8	↑ 0.2	↓ -4.6

Sources: Bloomberg for Crude oil price (Saudi Arabian Light), Cotton Spot and Gold spot. IMF (IFS) for all other items.

* Average during the month upto July 22, 2015.



Most of the Stock Price Indices have shown downward trend during July 2015 so far as compared to previous month.

Capital Market Indices

	Jul-15	Percent change since	
		Jun-15	End June - 14
US (DJIA)	17862.1	↓ -0.4	↑ 6.0
DJ EURO STOXX	3529.7	↑ 0.2	↑ 7.9
UK (FTSE 100)	6661.3	↓ -1.8	↓ -2.1
Japan (Nikkei 225)	20325.2	↓ -0.4	↑ 34.3
China (SSEA)	4044.7	↓ -19.5	↑ 89.1
France (CAC 40)	4924.9	↓ -0.1	↑ 8.9
Germany (DAX)	11297.3	↑ 0.5	↑ 13.8
India (BSE)	28092.0	↑ 3.5	↑ 11.4
World dev'd (MSCI)	1752.9	↓ -1.0	↑ 1.1
Emerging Markets (MSCI)	940.6	↓ -4.1	↓ -10.0
World all (MSCI)	425.8	↓ -1.3	↓ -0.1

¹ Updated till July 22, 2015

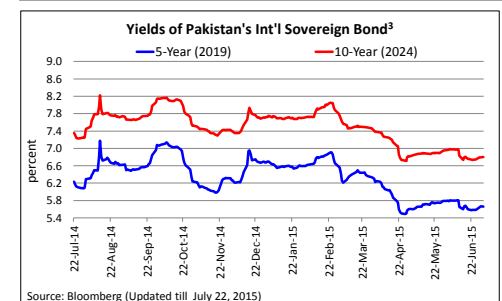
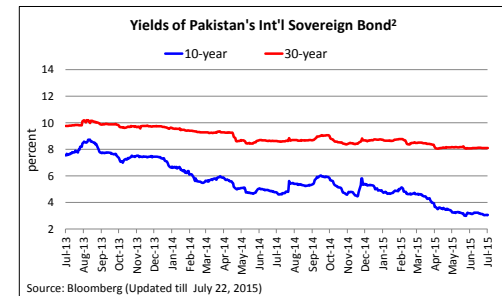
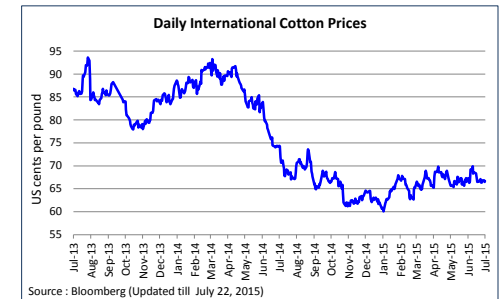
² 30 Yr Bond = \$300 M (Coupon rate = 7.875%): Issued - Mar 24, 2006: Maturity - Mar 23, 2036

¹⁰ Yr Bond = \$500 M (Coupon rate = 7.125%): Issued - Mar 24, 2006: Maturity - Mar 23, 2016

³ 10 Yr Bond = \$1000 M (Coupon rate = 8.25%): Issued - April 8, 2014: Maturity - April 15, 2024

⁵ Yr Bond = \$1000 M (Coupon rate = 7.25%): Issued - April 8, 2014: Maturity - April 15, 2019

Sources: Bloomberg, IMF, OECD, The Economist and Central Bank Websites



Revenues, Expenditures and Fiscal Balances

Fiscal deficit was recorded at 3.6 percent of GDP during Jul-Mar, FY15 compared to 3.2 percent in Jul-Mar, FY14.

Revenues (billion Rs)

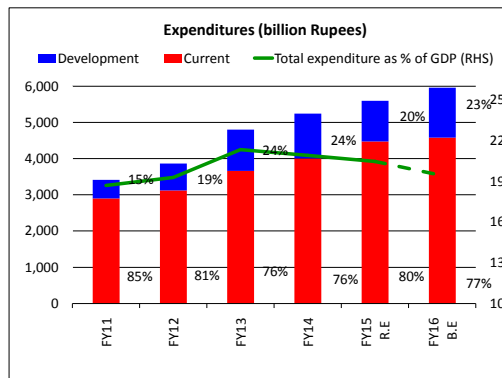
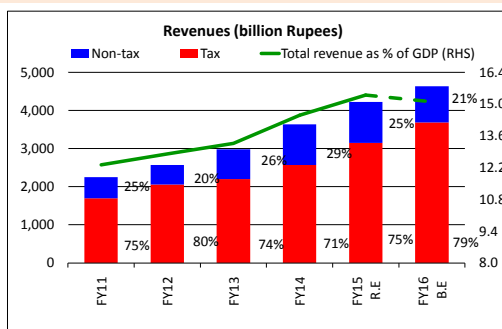
	FY16 BE ¹	Jul-Mar		FY15 RE ²
		FY15	FY14	
Total revenues	4,631	2,683	2,477	4,217
Tax revenue	3,681	2,063	1,786	3,149
Growth (YoY) %	16.9	15.5	16.9	22.8
of which: FBR revenues	3,104	1,775	1,575	2,605
Non-tax revenues	951	619	691	1,068
Growth (YoY) %	-11.0	-10.4	15.8	-0.4

Expenditures (billion Rs)

	FY16 BE ¹	Jul-Mar		FY15 RE ²
		FY15	FY14	
Total expenditures	5,960	3,732	3,289	5,600
Current	4,580	3,199	2,905	4,477
Growth (YoY) %	2.3	10.1	9.9	11.8
of which: Interest payments	1,280	975	909	1,270
Defence	781	486	452	720
Development Expenditure & net lending	1,380	594	556	1,123
Growth (YoY) %	22.9	6.9	24.7	-9.2
Unidentified Expenditure ³	-	-61	-171	-

Overall Balance (billion Rs)

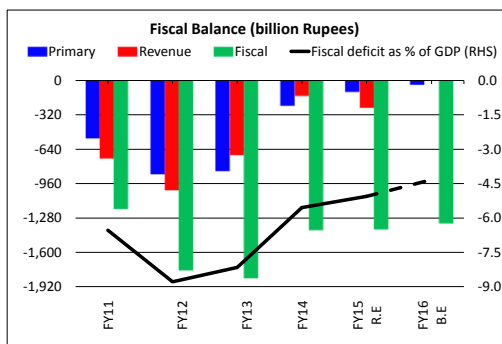
	FY16 BE ¹	Jul-Mar		FY15 RE ²
		FY15	FY14	
Fiscal balance⁴	-1,328	-1,049	-812	-1,383
Revenue balance ⁵	52	-516	-427	-260
Primary balance ⁶	-48	-74	97	-113
<i>As percent of GDP⁷</i>				
Fiscal balance	-4.3	-3.6	-3.2	-5.0
Revenue balance	0.1	-1.8	-1.7	-0.9
Primary balance	-0.2	-0.3	0.4	-0.4



During Jul-Mar, FY15, fiscal deficit was mainly financed through borrowings from domestic sources.

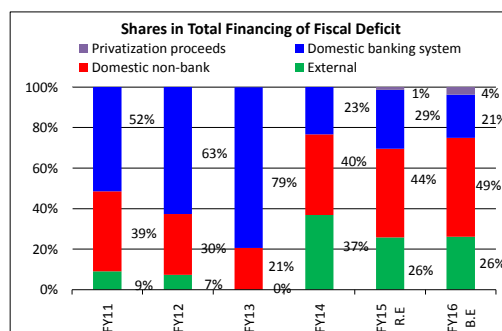
Financing of Fiscal Deficit (billion Rs)

	FY16 BE ¹	Jul-Mar		FY15 RE ²
		FY15	FY14	
Financing	1,328	1,049	812	1,383
1. External	346	138	-50	358
2. Domestic ⁸ : of which	982	911	862	1,025
Non-bank	649	427	425	605
Banking system: of which	283	469	437	402
SBP	0	-674	59	-
Scheduled banks	283	1,144	378	-
Privatization proceeds	50	15	-	18



FBR Tax Collection⁹ (billion Rs)

	Direct	Sales	Customs	FED ¹⁰	Total taxes
Q1	128	176	42	28	374
Q2	195	202	57	30	484
Q3	160	202	62	27	452
Q4	244	247	69	41	601
FY13	736	841	240	119	1,936
Q1	161	231	53	24	469
Q2	221	250	57	34	563
Q3	217	235	59	32	543
Q4	285	285	72	49	692
FY14^P	884	1,002	241	139	2,266
Q1	190	259	65	25	538
Q2	269	255	71	39	634
Q3	243	247	74	40	603
FY15^P	702	760	209	104	1,775



¹ Budget Estimates; Estimated from Budget in Brief 2015-16, MoF; ² Revised Estimates FY15 are taken from Budget documents 2015-16, MoF. Source:

http://www.finance.gov.pk/budget/Budget_in_Brief_2015_16.pdf; ³ In Fiscal Accounts, these expenditures are named as 'Statistical Discrepancy'; ⁴ Fiscal balance = total revenue - total expenditure; ⁵ Revenue balance = total revenue - current expenditure; ⁶ Primary balance = total revenue - total expenditure + interest payment; ⁷ GDP(mp) on new basis (2005-2006) has been used to calculate deficit to GDP ratios; ⁸ It includes the amount of Privatization Proceeds; ⁹ as reported in fiscal accounts; ¹⁰ Federal excise duty;

P Provisional



Government Domestic Debt

Stock of government domestic debt has increased by Rs. 1,198 billion during Jul-May FY15.

Debt by Owner - end period stocks (billion Rs)

	May-15 ^P	Jun-14 ^R	Change since Jun-14
1.Bank	7,549	6,781	769
Commercial banks	4,988	3,925	1,062
SBP	2,561	2,855	-294
2.Non-bank	4,672	4,243	429
National saving schemes (NSS)	2,979	2,670	309
Others	1,693	1,573	120
3.Foreign currency instruments¹	5	4	0
Total(1+2+3)	12,226	11,028	1,198

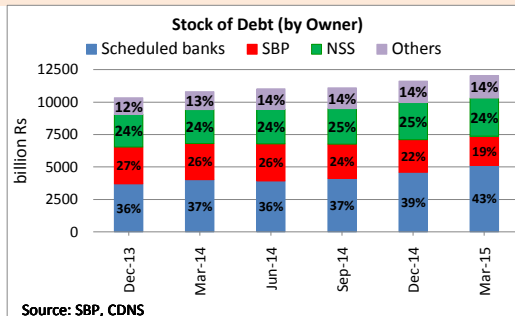
Debt by Type - end period stocks (billion Rs)

	May-15 ^P	Jun-14 ^R	Change since Jun-14
1.Permanent debt	4,944	3,999	945
PIBs	4,105	3,222	883
Prize bonds	509	447	63
Others ²	331	331	0
2. Floating debt	4,602	4,600	3
MTBs	2,044	1,747	296
MRTBs-replenishment ³	2,559	2,852	-294
3.Unfunded debt⁴: of which	2,675	2,425	250
Saving schemes	2,403	2,156	246
4.Foreign currency instruments	5	4	0
Total(1+2+3+4)	12,226	11,028	1,198
Government domestic liabilities⁵	355	270	85

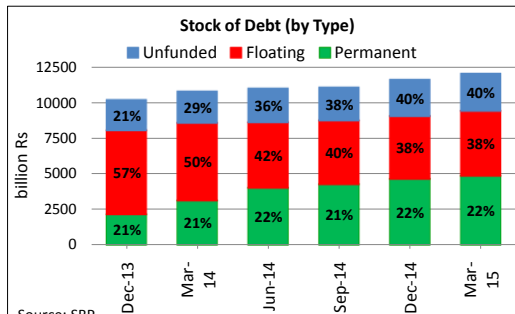
¹ Includes FEBCs, FCBCs, DBCs and special USD bonds held by the residents.

² Includes market loans and GOP Ijara Sukuk 3 Years. ³ Includes Outright Sale of MRTBs, if any.

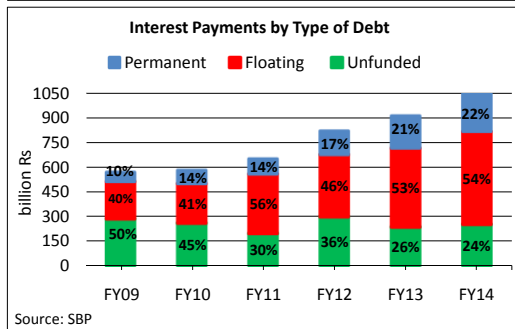
⁴ Includes funds mobilized through NSS excluding prize bonds. ⁵ This reflects provincial governments' borrowings from banks for commodity operations.



Source: SBP, CDNS



Source: SBP



Source: SBP

Interest payments on domestic debt have shown YoY growth of 13.3 percent during Jul-May FY15.

Debt Servicing (billion Rs)

	Jul-May		FY14	Percent change during FY15 over FY14
	FY15 ^P	FY14		
Permanent ⁶	449	217	229	106.7
Floating	419	538	562	-22.1
Unfunded	251	233	252	7.7
Total	1119	988	1043	13.3

Indicators of Domestic Debt Sustainability

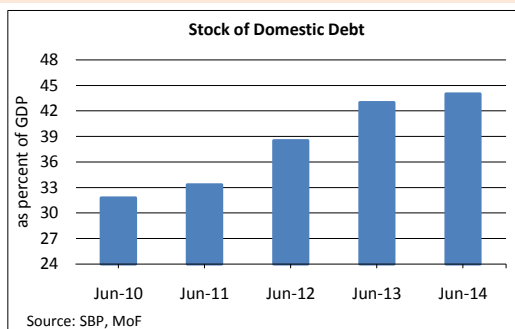
	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14
Debt stock as percent of GDP⁷	31.8	33.3	38.5	43.0	44.0
Debt servicing as percent of	FY10	FY11	FY12	FY13	FY14
GDP ⁷	3.9	3.6	4.1	4.0	4.2
Total revenue	27.8	28.8	31.8	30.4	28.7
Tax revenue	39.2	38.3	39.8	41.3	40.7
Total expenditure	19.2	18.8	20.8	18.8	20.7
Current expenditure	24.2	22.4	26.2	24.8	26.0

⁶ Includes prize bonds;

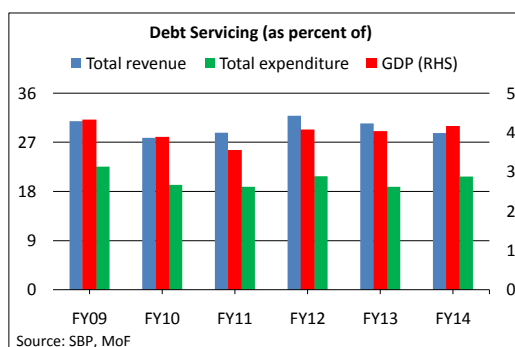
⁷ Based on revised GDP published by PBS on 18-05-2015.

^R: Revised; ^P: Provisional

Sources: Central Directorate of National Savings (CDNS), Statistics and Data Warehouse Department (S&DWD), SBP and Ministry of Finance (MoF).



Source: SBP, MoF



Source: SBP, MoF



External Debt

Stock of public sector external debt has decreased by US\$ 2.5 billion during Jul-Mar FY15.

Debt & Liabilities¹ - end period stocks (million US\$)

Items	Mar-15 ^P	Jun-14 ^R	Change during Jul-Mar-FY15
1. Public debt (a+b+c)	52,305	54,793	-2,488
a) Government debt	45,464	48,491	-3,027
i) Long term (>1 year)	45,019	47,790	-2,771
Paris club	11,632	13,607	-1,975
Multilateral	23,245	25,826	-2,582
Other bilateral	4,212	3,465	746
Euro/Sukuk global bonds	4,550	3,550	1,000
Military debt	36	36	0
Commercial loans/credits	200	150	50
Local currency Securities (PIBs)	25	16	9
Saudi fund for development (SFD)	120	140	-20
SAFE China deposits	1,000	1,000	0
NBP/BOC deposits	0	0	0
ii) Short term (<1 year)	445	701	-257
Of which: IDB	383	413	-29
b) From IMF	3,711	3,020	691
i) Federal government	143	654	-511
ii) Central bank	3,568	2,366	1,202
c) Foreign exchange liabilities (FEL)²	3,130	3,281	-151
2. Public sector enterprises (PSEs)	2,424	2,137	288
a) Guaranteed debt	1,066	486	579
b) Non-guaranteed debt	1,359	1,650	-291
3. Scheduled banks	2,176	1,989	187
a) borrowing	1,318	1,080	238
i) Long term (>1 year)	10	33	-23
ii) Short term (<1 year)	1,308	1,046	261
b) Non-resident deposit (LCY & FCY)	858	909	-51
4. Private sector	3,086	3,048	38
a) guaranteed debt	0	0	0
b) non-guaranteed debt	3,086	3,048	38
i) Loans	1,978	1,934	44
ii) Private non-guaranteed bonds	12	12	0
iii) Trade credit and others liabilities	1,096	1,102	-6
5. Debt liabilities to direct investors-intercompany debt	2,658	3,400	-741
Total external debt (excl. FEL)	59,519	62,083	-2,565
Total external debt & liabilities (1+2+3+4+5)	62,649	65,365	-2,716

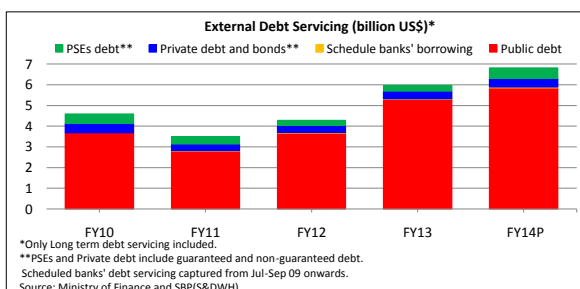
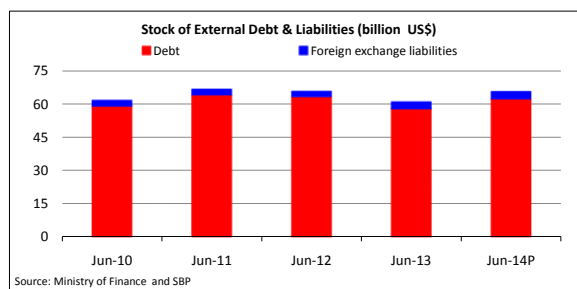
Debt Servicing (million US\$)

Items	Jul-Mar-FY15 ^P	FY14
1. Public debt (a+b+c)	2,987	5,847
a) Government debt³	1,845	2,541
Principal	1,235	1,834
Interest	609	707
b) To IMF	1,070	3,182
Principal	1,040	3,130
Interest	30	52
c) Foreign exchange liabilities	73	124
Principal	0	100
Interest	73	24
2. PSEs guaranteed debt	29	301
Principal	15	273
Interest	14	28
3. PSEs non-guaranteed debt³	182	199
Principal	167	179
Interest	15	20
4. Scheduled banks' borrowing³	18	49
Principal	18	48
Interest	0	1
5. Private guaranteed debt	0	0
6. Private non-guaranteed debt³	320	298
Principal	271	239
Interest	50	59
7. Private non-guaranteed bonds	0	117
Principal	0	112
Interest	0	5
Total Long term external debt servicing (1+2+3+4+5+6+7)	3,536	6,811
Principal	2,745	5,915
Interest	791	897
Memorandum Items		
Short term debt servicing-principal⁴ (excluding item No.3 below)		
1. Government debt	443	0
2. PSEs non-guaranteed debt	40	151
3. Scheduled banks' borrowing	25,666	28,559
Net flows ⁵	316	413
4. Private non-guaranteed debt	63	22

Stock of external debt as percent of GDP decreased to 25.8 percent by the end of June 2014.

Indicators of External Debt Sustainability

End period debt stock as percent of							External debt servicing as percent of					
	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14 ^P	FY09	FY10	FY11	FY12	FY13	FY14 ⁶
GDP⁷	32.3	35.4	31.2	30.9	27.0	25.8	2.4	2.4	1.6	2.0	2.6	2.7
Reserves	407.5	364.2	347.2	426.8	550.8	459.8	30.8	24.4	18.3	27.9	53.9	47.9
Exports	273.6	312.8	261.7	264.9	245.5	260.7	20.7	21.0	13.8	17.3	24.0	27.2



R: Revised; P: Provisional; ¹ External debt data format has been changed, as SBP enhances coverage & quality of external debt statistics by adopting Special Data Dissemination Standard, for more details visit <http://www.sbp.org.pk/ecodata/Revision-EDS.pdf>; ² Allocation of SDR and Nonresident LCY deposits with central bank added to FEL; ³ Only long term debt servicing included; ⁴ As per the guidelines available in IMF's External Debt Guide for Compilers and Users 2003, the principal repayment of short term debt is excluded from over all principal repayments. However, for the information of data users, short term repayment of principle has been reported as Memorandum Items; ⁵ Net flows of short term borrowings by banks reflect the net increase (+) or decrease (-) in the stock of short term bank borrowings during the period; ⁶ Only long term debt servicing included from FY11 and onwards; ⁷ Based on revised GDP published by PBS on 18-05-2015.

Sources: Economic Affairs Division and SBP(S&DWH)



Total Debt

Stock of total debt and liabilities increased by Rs. 954 billion during Jul-Mar FY15.

Total Debt Stock (billion Rs)

	Mar-15 ^P	Jun-14 ^R	Change during Jul-Mar FY15	Share in Mar-FY15 (percent)
I. Government domestic debt	12,045	11,028	1,017	62.4
II. Government external debt ¹	4,634	4,791	-158	24.0
III. Debt from IMF	378	298	80	2.0
IV. External liabilities	319	324	-5	1.7
V. Private sector external debt	536	498	39	2.8
VI. PSEs external debt	247	211	36	1.3
VII. PSEs domestic debt	432	366	66	2.2
VIII. Commodity operations ²	437	492	-56	2.3
IX. Intercompany External Debt from Direct Investor abroad	271	336	-65	1.4
Total debt & liabilities (I to IX)	19,299	18,346	954	100.0
Total public debt (I to IV)	17,376	16,442	934	90.0
Total external debt & liabilities (II to VI &+ IX)	6,385	6,459	-73	33.1
Commodity operations & PSEs debt (VI to VIII)	1,116	1,070	46	5.8

Total Debt Servicing (billion Rs)

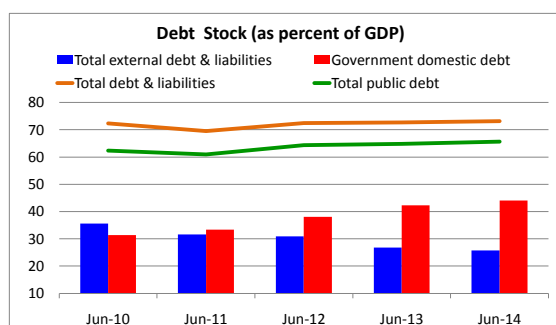
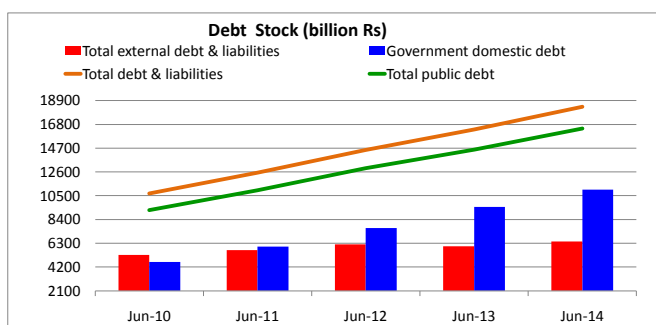
	Jul-Mar FY15 ^P	FY14 ^R	Share in Jul-Mar FY15 (percent)	Share in FY14 (percent)
Total Debt Servicing(A+B)	1331	1791	100.0	100.0
A. Total interest payment on debt and liabilities (I+II)	1053	1183	79.1	66.0
I. Interest payment on debt (a+b)	1009	1134	75.8	63.3
a. Domestic debt	934	1043	70.1	58.2
b. External debt	75	91	5.6	5.1
II. Interest payment on liabilities (a+b)	45	49	3.4	2.7
a. Domestic liabilities	37	47	2.8	2.6
b. External liabilities ¹	7	3	0.6	0.1
B. Principal repayment of external debt and liabilities³	278	609	20.9	34.0

Debt stock (as percent of GDP)

	Mar-15 ^P	Jun-14 ^{R4}	Jun-13 ⁴
Total debt and liabilities	70.5	73.2	73.5
Total public debt	63.5	65.6	65.6
Total external debt and liabilities	23.3	25.8	27.0
Government domestic debt	44.0	44.0	43.0
PSEs debt and liabilities	4.1	4.3	4.4

Debt Servicing (as percent of)

	FY14 ^P	FY13 ^R	FY12	FY11
GDP	7.1	6.8	6.3	5.6
Total revenue	49.3	51.6	49.3	45.0
Tax revenue	69.9	69.9	61.7	59.9
Total expenditure	35.6	31.9	32.2	29.4
Current expenditure	44.7	42.0	40.5	35.1



Note: R: Revised; P: Provisional; ¹ Rupee value of external debt and liabilities computed by applying the corresponding end period average exchange rate to the end-period stock; ² This includes borrowings from banks by provincial and Federal governments agencies for commodity operations; ³ This is excluding short term debt repayment; ⁴ Based on revised GDP published by PBS on 18-05-2015.

Source: CDNS, Ministry of Finance, Economic Affairs Division and SBP



Monetary and Credit Aggregates

Monetary contraction during FY16 so far mainly owes to NDA.

Monetary Assets of the Banking System (billion Rs)

	End June 2015 stocks ^P	Cumulative flows since end-June		FY15 flows
		Latest week 10-Jul-15	A year ago 11-Jul-14	
NFA	820.0	15.5	-3.7	219.0
NDA	10,467.3	-171.7	-142.8	1,100.2
Net government borrowings: of which	7,001.0	13.3	37.9	936.7
Net budgetary borrowing	6,414.1	15.9	39.8	864.8
Commodity operations	564.5	-1.1	-2.1	72.0
Non-government borrowings: of which	4,390.4	-57.7	-101.9	288.3
Private sector	3,937.4	-62.2	-99.5	208.7
PSEs	434.7	4.9	-2.4	80.0
Other items (net)	-924.1	-127.3	-78.8	-124.8
M2	11,287.3	-156.2	-146.4	1,319.2

Monetary Liabilities of the Banking System (billion Rs)

Currency in circulation	2,554.7	169.7	107.5	376.8
Total deposits with banks	8,717.5	-325.7	-254.0	940.4
Demand deposits with banks	7,401.6	-318.8	-259.4	895.8
Time deposits with banks	716.5	-6.9	5.4	44.6
RFCDs with banks	599.4	0.0	0.0	0.0
M2	11,287.3	-156.2	-146.4	1,319.2

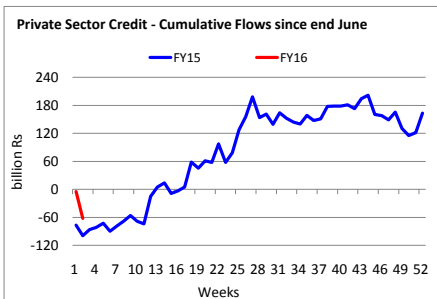
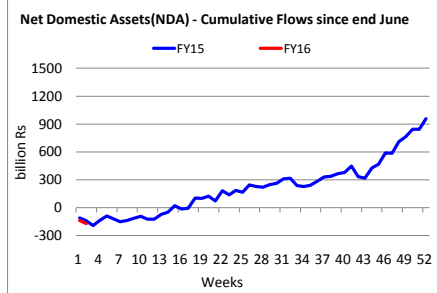
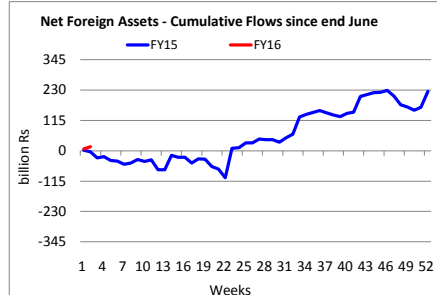
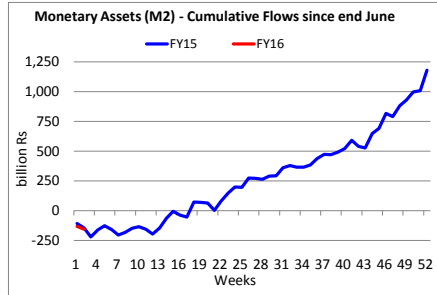
Monetary Assets of the Banking System (percent growth)

	YoY (10-Jul-15)	Since end June		FY15
		10-Jul-15	11-Jul-14	
NFA	39.9	1.9	-0.6	36.4
NDA	11.6	-1.6	-1.5	11.7
Government borrowings	14.9	0.2	0.6	15.4
Budgetary borrowing	15.0	0.2	0.7	15.6
Commodity operations	14.9	-0.2	-0.4	14.6
Non-government sector borrowings	8.3	-1.3	-2.5	7.0
Private sector	6.8	-1.6	-2.7	5.6
PSEs	24.7	1.1	-0.7	22.5
Other items (Net)	-19.7	-13.8	-9.9	-15.6
M2	13.3	-1.4	-1.5	13.2

Memorandum Items

	Latest week	A year ago	
	10-Jul-15	11-Jul-14	FY15
Money multiplier	3.15	3.32	3.59
Currency to deposit ratio (percent)	32.46	30.38	29.31
M2 to GDP ratio (percent)	36.29	35.87	41.22
Private sector credit to GDP ratio (percent)	12.63	13.25	14.38

^P, Revised (All weekly numbers are provisional); Source: Statistics & Data Warehouse Department (S&DWD), SBP





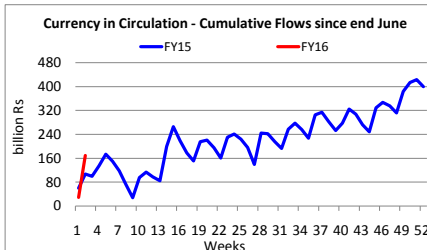
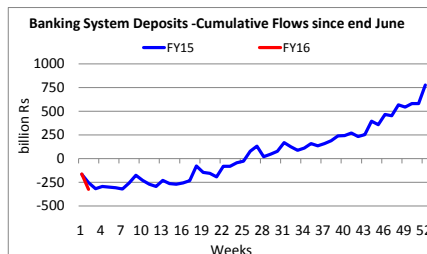
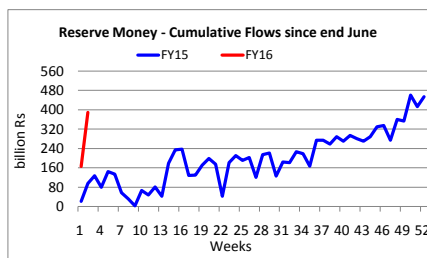
Net OMO injections remained the key driver of reserve money growth during FY16 so far.

Monetary Assets of SBP

	End June 2015 stocks	Cumulative flows since end-June		FY15 Flows
		Latest week	A year ago	
		10-Jul-15	11-Jul-14	
NFA	729.7	-7.1	-13.9	240.0
NDA: of which	2,413.7	396.2	110.1	42.1
Budgetary borrowing	1,935.6	13.6	0.5	-474.2
Other items (net)	57.8	387.0	106.4	613.0
Net impact of OMOs/discounting	662.0	411.2	17.2	679.2
Reserve money	3,143.4	389.2	96.3	282.1

Monetary Liabilities of SBP

	End June 2015 stocks	Cumulative flows since end-June		FY15 Flows
		Latest week	A year ago	
		10-Jul-15	11-Jul-14	
Currency in circulation	2,554.7	169.7	107.5	376.8
Cash in tills	160.3	26.9	-6.5	20.8
Bank deposits with SBP (reserves)	413.2	192.7	-4.8	-117.5
Other deposits with SBP	15.2	-0.2	0.0	2.0
	YoY	(percent growth)		
NFA of the SBP	51.9	-1.0	-2.8	49.0
NDA of the SBP: of which	13.2	16.4	4.6	1.8
Budgetary borrowing	-19.1	0.7	0.0	-19.7
Reserve money	19.4	12.4	3.4	9.9



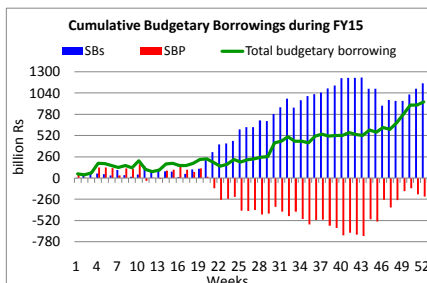
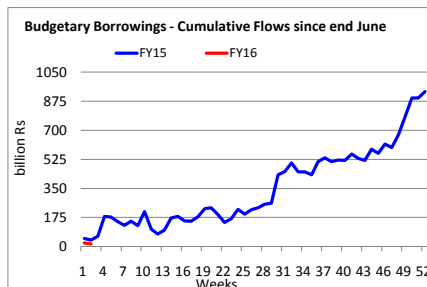
In FY15, government borrowing needs were entirely met from Scheduled Banks.

Details on Government Borrowing for Budgetary Support

	End June 2015 stocks	Cumulative flows since end-June		FY15 flows
		Latest week	A year ago	
		10-Jul-15	11-Jul-14	
Budgetary borrowing	6,414.1	15.9	39.8	864.8
Federal government	7,006.9	-0.1	13.5	947.4
From SBP	2,105.4	-2.4	-25.9	-462.3
SBP's holdings of MRTBs	2,281.4	25.4	-78.8	-570.9
From scheduled banks (SBs)	4,901.5	2.3	39.4	1,409.7
Provincial governments	-592.8	15.9	26.4	-82.6
From SBP ¹	-169.8	15.9	26.4	-11.9
From scheduled banks ²	-423.0	0.0	0.0	-70.7

Memorandum Items

Budgetary borrowing on cash basis	6,340.5	8.6	31.0	892.1
SBP	1,893.4	7.7	-5.6	-434.3
Scheduled banks	4,447.1	0.9	36.7	1,326.4



¹ Current overdraft ceilings for provinces are: Rs37.2 billion for Punjab; Rs15 billion for Sindh; Rs10.1 billion for KPK; Rs7.1 billion for Baluchistan, Rs4.5 billion for A.J.K.

² The end-June 2015 net stock of borrowings was negative as provincial governments' deposits with scheduled banks exceeded their borrowings.

Source: Statistics & Data Warehouse Department (S&DWD), SBP



Private Sector Credit

Credit to private sector increased by Rs. 209 billion during FY15 compared to Rs. 371 billion during FY14.

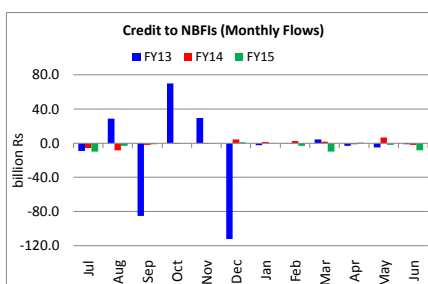
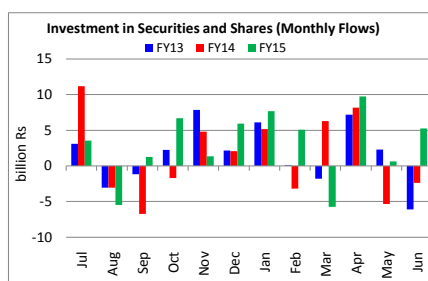
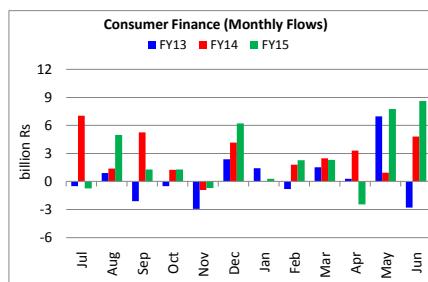
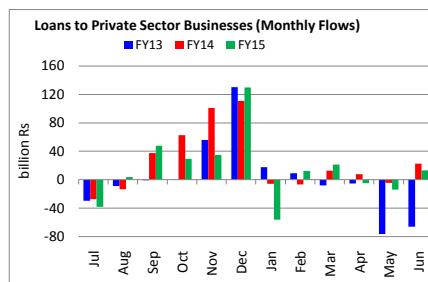
Credit to Private Sector

	End June 2015 stocks	Cumulative flows (billion Rs)	
		FY15	FY14
Total credit to private sector ¹	3,937.4	208.7	371.4
1. Loans to private sector businesses	2,944.7	179.5	298.0
By type			
Working capital: of which	1,891.1	49.6	228.3
Export finance	282.3	6.3	14.7
Import finance	181.6	24.5	24.5
Fixed investment	1,053.6	129.9	69.7
By Sectors: of which			
Agriculture	285.4	↑ 32.7	↑ 30.7
Manufacturing: of which	1,704.4	↑ 68.4	↑ 187.2
Textiles	549.7	↓ -8.4	↑ 43.2
Food products & beverages	429.7	↑ 15.3	↑ 97.5
Chemicals & products	209.7	↑ 17.9	↑ 20.2
Non-metallic mineral products	73.4	↑ 19.7	↓ -13.2
Wearing apparel, readymade gar.	53.7	↓ -0.3	↓ -0.6
Electricity, gas and water	267.2	↓ -11.4	↑ 49.8
Construction	66.0	↑ 13.6	↓ -1.1
Commerce and trade	237.0	↑ 13.7	↑ 16.4
Transport, storage and comm.	146.6	↑ 29.5	↑ 27.3
Services: of which	151.7	↑ 17.6	↓ -5.0
Real estate/renting & business act	97.7	↑ 8.2	↓ -10.4
2. Personal: of which	381.7	↑ 44.0	↑ 31.9
Consumer financing	273.9	↑ 31.1	↑ 31.5
3. Investment in securities and shares	223.4	↑ 35.9	↑ 15.3
4. Others²: of which	387.7	↓ -50.8	↑ 26.2
Non-bank finance companies	117.3	↓ -35.3	↓ -4.2

¹ From Weekly Monetary Survey's month end position.

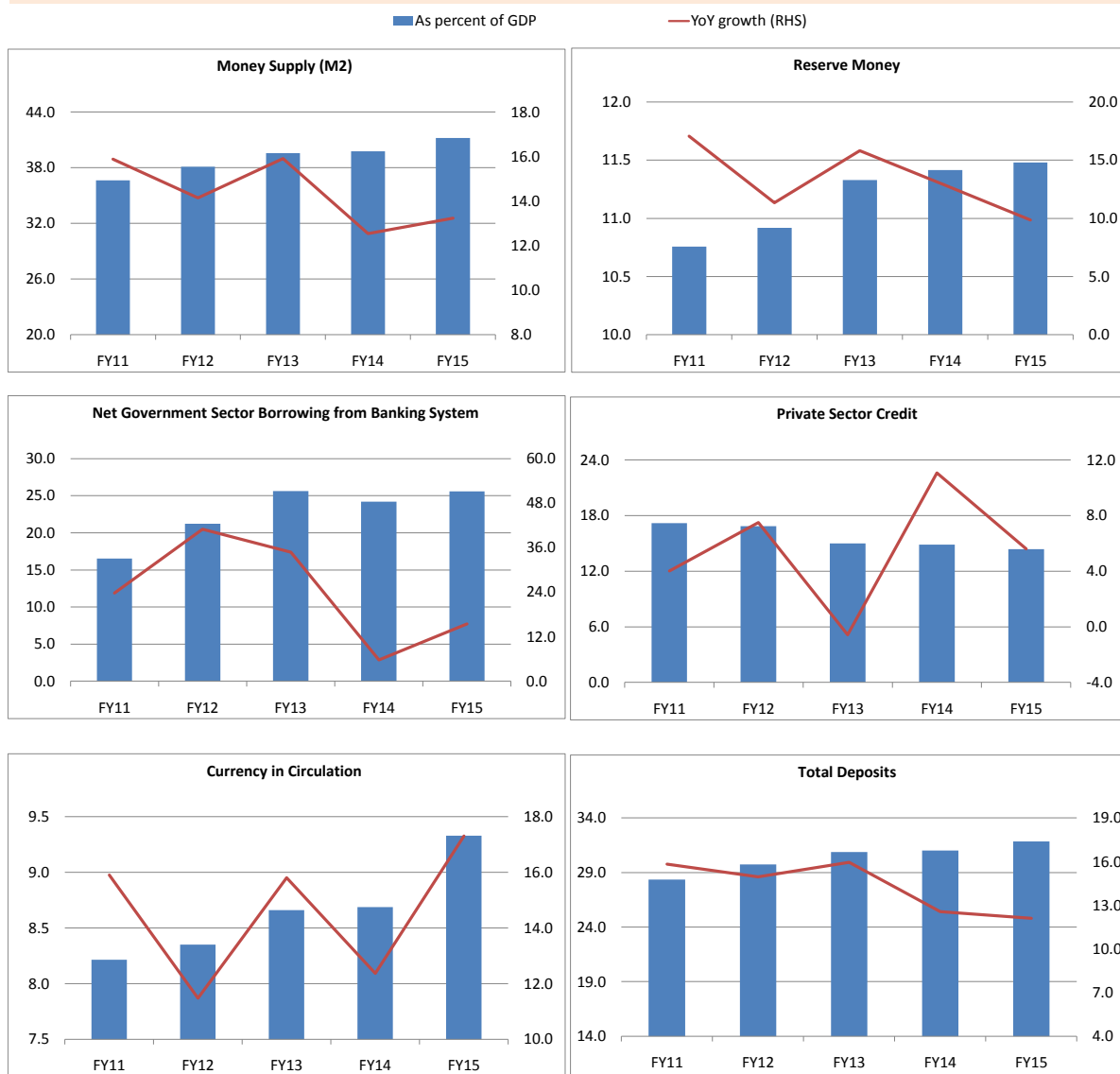
² This also includes credit to some Public Sector Enterprises, and other categories.

Source: Statistics and Data Warehouse Department (S&DWD), SBP.





Key Indicators of Monetary Sector

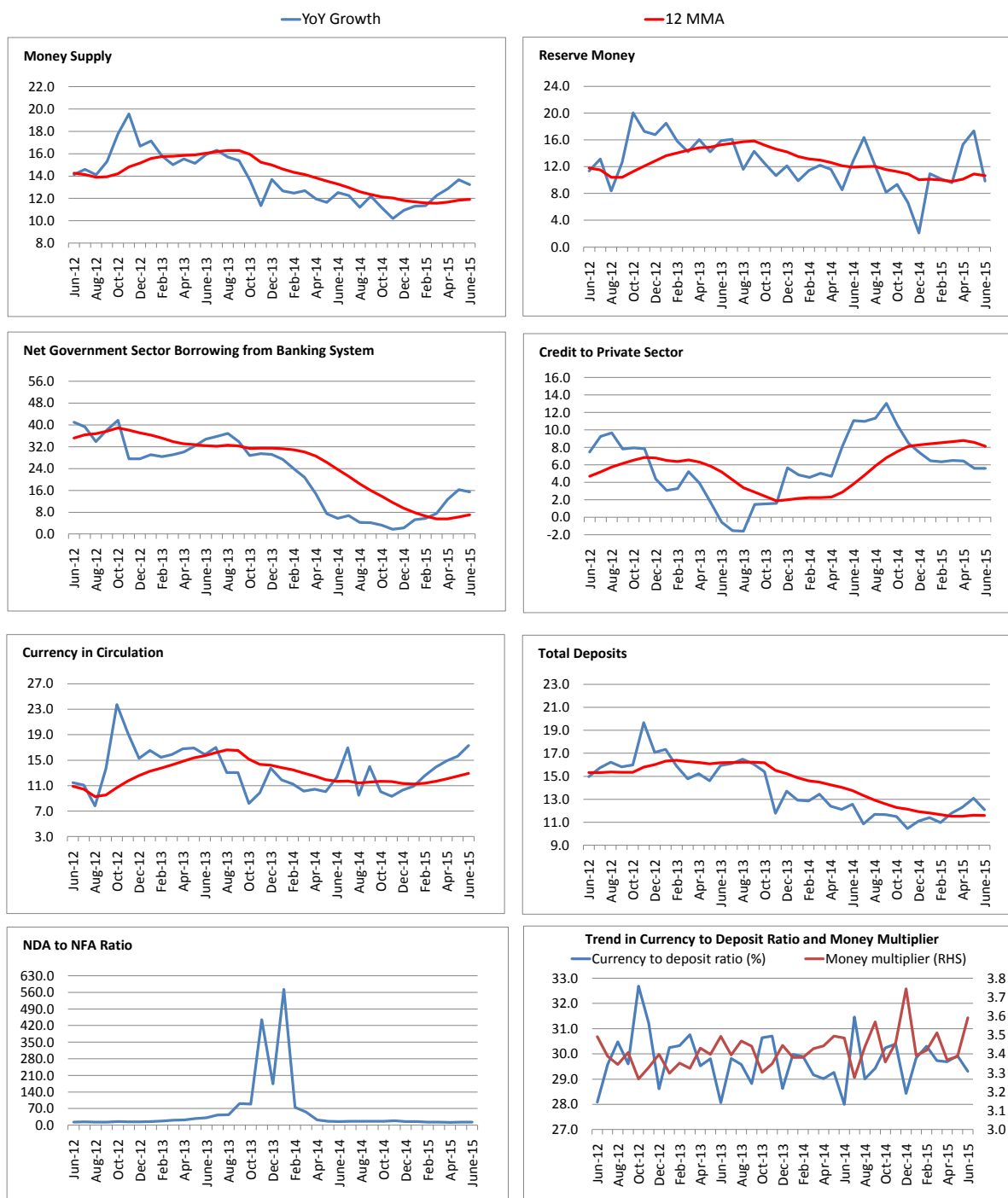


YoY growth of end June Stocks

Source: Statistics and Data Warehouse Department (S&DWD), SBP.



Trends in Monetary Aggregates



Month end stocks data has been used.

YoY growth shows growth over same month last year.

Source: Statistics and Data Warehouse Department (S&DWD), SBP.



Money Market

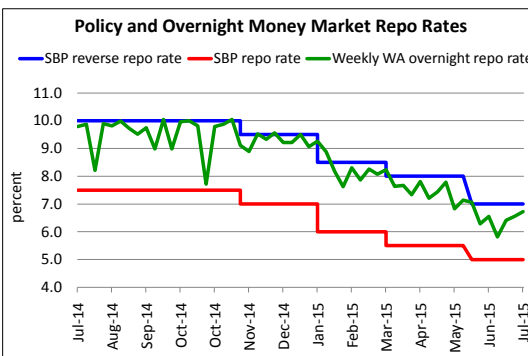
With effect from 25th May 2015, SBP decreased the SBP reverse repo rate by 100 bps to 7.0 percent.

Policy Instruments (percent)

	Current	w.e.f	Previous	w.e.f	Change ¹
SBP reverse repo rate	7.0	25-May-15	8.0	24-Mar-15	↓ -100
SBP repo rate	5.0	25-May-15	5.5	24-Mar-15	↓ -50
Bi-weekly average CRR on DL and TL < 1 year	5.0	1-Nov-08	6.0	18-Oct-08	↓ -100
Daily minimum CRR on DL and TL < 1 year	3.0	12-Oct-12	4.0	1-Nov-08	↓ -100
CRR on TL > 1 year	0.0	4-Aug-07	3.0	22-Jul-06	↓ -300
SLR on DL and TL < 1 year	19.0	24-May-08	18.0	22-Jul-06	↑ 100
Islamic banks	19.0	3-Jun-11	14.0	1-Apr-11	↑ 500
SLR on TL > 1 year	0.0	18-Oct-08	19.0	24-May-08	↓ -1900
Islamic banks	0.0	18-Oct-08	9.0	24-May-08	↓ -900

¹ Basis points

DL: Demand Liabilities; TL: Time Liabilities



Volatility in overnight repo rate has decreased in Q1-FY16, compared to Q4-FY15.

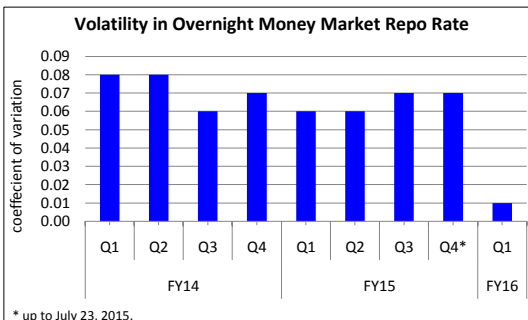
Weighted Average O/N Money Market Repo Rate (percent)

	FY15				FY16
	Q2	Q3	Q4	Year	Q1 *
WA O/N repo rate ²	9.38	8.30	6.95	8.51	6.65
Standard deviation	0.60	0.60	0.50	1.19	0.07
CoV ³	0.06	0.07	0.07	0.14	0.01

* up to July 23, 2015 YTD: Year to date

² Weekly Weighted Average O/N Repo Rate

³ CoV (Coefficient of Variation) is a ratio and is unit free.



* up to July 23, 2015.

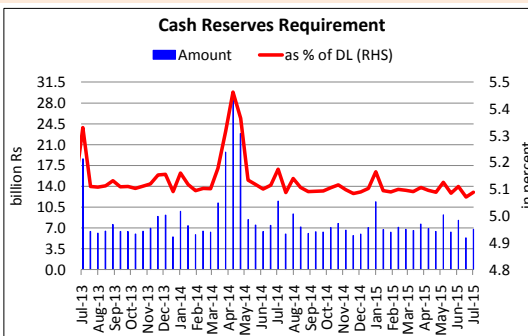
Banks' holding of government securities now stands at 82 percent of their total liquid assets maintained.

Bi-weekly Cash Reserves Requirement (CRR)⁴ (billion Rs)

	Maintenance period ended as on		Change since Last MPS	
	2-Jul-15	4-Jun-15	4-Jun-15	21-May-15 ⁵
Cash required	381.6	373.7	↑ 7.9	↑ 12.3
Cash maintained	388.4	382.0	↑ 6.4	↑ 12.7
Excess cash reserves (per day)	6.8	8.3	↓ -1.5	↑ 0.5

⁴ Bi-weekly CRR is the proportion of local currency time and demand liabilities (TDL) that scheduled banks are required to maintain with SBP in the form of cash on average during the reserve maintenance period.

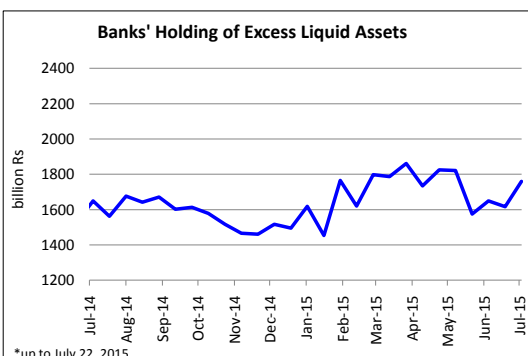
⁵ As on Thursday preceding the last monetary policy decision.



Overall Reserve Requirement (billion Rs)

	Maintenance period started as on		Change since Last MPS	
	3-Jul-15	5-Jun-15	5-Jun-15	22-May-15
Required reserves	1886.3	1817.4	↑ 68.9	↑ 92.6
for CRR	393.0	378.6	↑ 14.3	↑ 19.3
for SLR	1493.3	1438.8	↑ 54.5	↑ 73.3
Maintained⁶	3646.0	3466.4	↑ 179.7	↑ 277.7
Cash	617.3	523.4	↑ 94.0	↑ 115.6
Cash in tills	176.5	148.3	↑ 28.2	↑ 17.2
Balance with SBP	407.5	352.6	↑ 54.9	↑ 92.9
Balance with NBP	33.3	22.4	↑ 10.9	↑ 5.4
Securities	3006.6	2909.8	↑ 96.8	↑ 173.2
Others ⁷	22.1	33.2	↓ -11.1	↓ -11.1
Excess liquid assets⁸	1759.8	1649.0	↑ 110.8	↑ 185.2

Source: Off-site Supervision and Enforcement Department, SBP



⁶ Data corresponds to the balances as on that date

⁷ Includes Section 13(3) deposits and share capital of MFBs.

⁸ Includes excess securities + cash and other assets maintained.

⁹ As on Friday preceding the last monetary policy decision

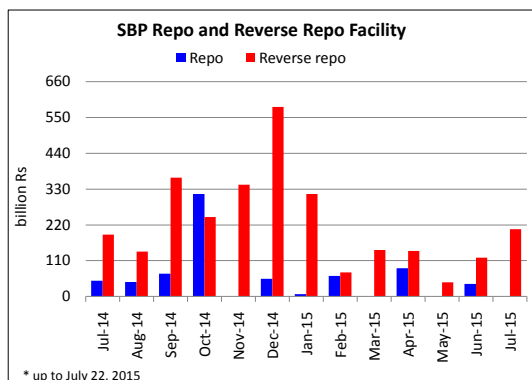


Banks' use of SBP's reverse repo facility decreased in Q1-FY16 so far, compared to Q1-FY15.

Use of SBP's Standing Facilities

	SBP reverse repo		SBP repo	
	Amount	Days	Amount	Days
	billion Rs	No.	billion Rs	No.
FY14	4,084.5	71	1,084.3	39
Q1	250.6	11	419.0	13
Q2	977.6	16	199.8	6
Q3	1,559.1	26	239.9	6
Q4	1,297.2	18	225.6	14
FY15	2,697.5	71	729.5	21
Q1	693.3	21	163.5	4
Q2	1,170.4	21	369.4	8
Q3	531.6	18	70.5	4
Q4	302.3	11	126.2	5
FY16¹ Q1	207.4	6	-	-

¹ Updated up to July 22, 2015



The level of average outstanding OMOs has shown positive trend in FY16 so far.

Outstanding Open Market Operations² (billion rupees)

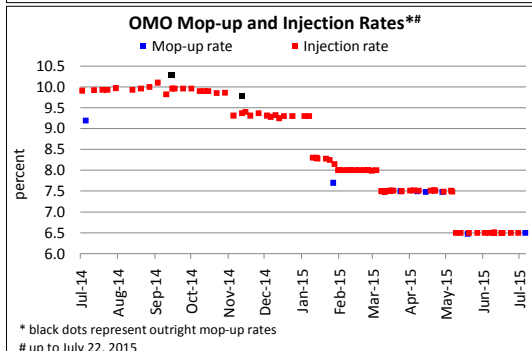
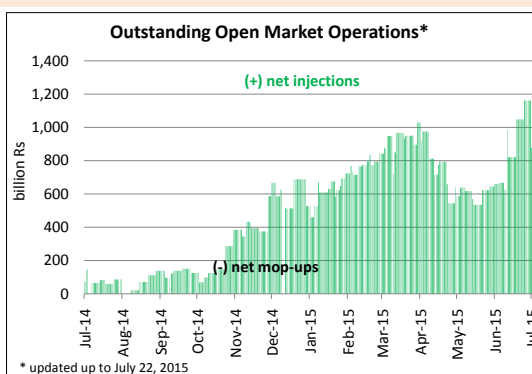
	Average Outstanding OMOs	End-period Outstanding OMOs
FY14	53.9	-
Q1	(34.7)	(40.0)
Q2	(11.8)	66.1
Q3	67.0	250.0
Q4	196.9	-
FY15	418.6	544.0
Q1	63.0	0.0
Q2	281.0	0.0
Q3	683.2	718.4
Q4	744.1	624.8
FY16³ Q1	977.8	879.4

² It does not include the impact of outright transactions.

*Note: (+) amount means net injection
(-) amount means net mop-up

³ Updated up to July 22, 2015

Source: Domestic Markets & Monetary Management Department, SBP



Outright Open Market Operations (billion rupees)

	Net Sale	End-period Outstanding
FY14	379.6	-
Q1	-	-
Q2	90.5	90.5
Q3	289.1	289.1
Q4	-	-
FY15	346.5	186.5
Q1	70.0	70.0
Q2	90.0	90.0
Q3	-	-
Q4	186.5	186.5
FY16⁴ Q1	-	-

⁴ Updated up to July 22, 2015

Open Market Operations for GoP Ijara Sukuk - Outright⁵
(billion rupees)

	Bai-Muajjal Purchases	Ready Sales
FY15	179.9	179.9
Q1	-	-
Q2	90.4	90.4
Q3	89.5	89.5
Q4	-	-
FY16⁶ Q1	-	-

⁵ As per DMMD Circular No. 17 of 2014 dated October 15, 2014.

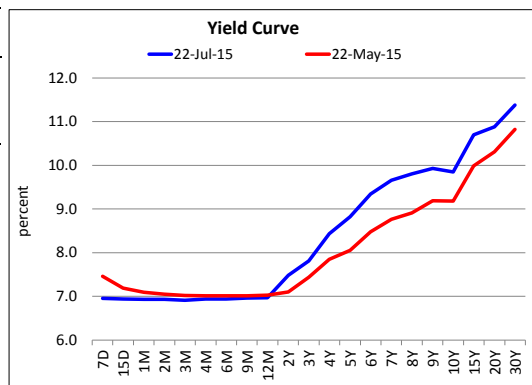
⁶ Updated up to Jul 22, 2015



Secondary market yields for one year and less tenors have decreased since the last monetary policy decision in May 2015.

Pak Rupee Revaluation (PKRV) Rates¹ (%)

Tenors	Current		Change (in basis points) since	
	22-Jul-15	22-Jun-15	22-Jun-15	Last MPS
				22-May-15
1-week	6.95	6.72	↑ 23	↓ -51
2-week	6.94	6.72	↑ 22	↓ -25
1-month	6.93	6.75	↑ 18	↓ -16
3-month	6.91	6.83	↑ 8	↓ -11
6-month	6.94	6.91	↑ 3	↓ -7
9-month	6.96	6.94	↑ 2	↓ -5
12-month	6.97	6.97	↑ 0	↓ -6
2-year	7.48	7.28	↑ 20	↑ 38
3-year	7.81	7.91	↓ -10	↑ 37
5-year	8.82	8.81	↑ 1	↑ 77
7-year	9.66	9.53	↑ 13	↑ 90
10-year	9.85	9.97	↓ -12	↑ 67
20-year	10.88	10.79	↑ 9	↑ 57
30-year	11.38	11.28	↑ 10	↑ 56

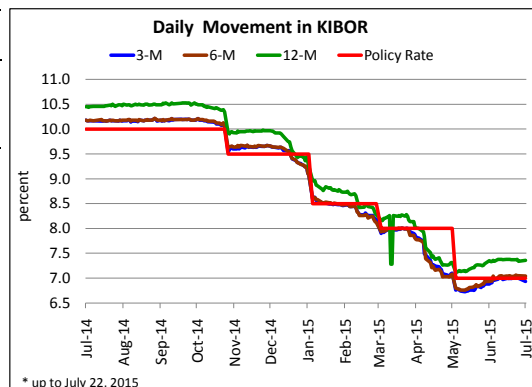


¹ It is secondary market yield-to-maturity used by banks to revalue their holding of securities (i.e. mark to market).

KIBOR of 9-month and less tenors have decreased since the last monetary policy decision in May 2015.

Tenor-wise KIBOR (%)

Tenors	Current		Change (in basis points) since	
	22-Jul-15	22-Jun-15	22-Jun-15	Last MPS
				22-May-15
1-week	6.77	6.72	↑ 5	↓ -91
2-week	6.83	6.73	↑ 10	↓ -66
1-month	6.91	6.75	↑ 16	↓ -50
3-month	6.93	6.88	↑ 5	↓ -17
6-month	7.04	6.93	↑ 11	↓ -4
9-month	7.30	7.22	↑ 8	↓ -2
12-month	7.36	7.35	↑ 1	↑ 5
2-year	7.76	7.85	↓ -9	↑ 28
3-year	8.10	8.14	↓ -4	↑ 42

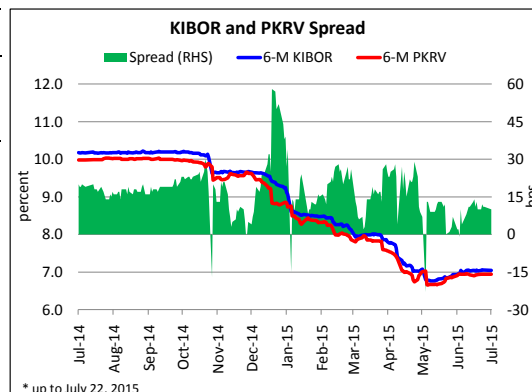


* up to July 22, 2015

Spreads between KIBOR and PKRV rates from 1-week to 3-month and 2-year tenors have decreased compared to their levels observed at the time of monetary policy announcement in May 2015.

KIBOR and PKRV Spread (basis points)

Tenors	Current		Change since	
	22-Jul-15	22-Jun-15	22-Jun-15	Last MPS
				22-May-15
1-week	-18	0	↓ -18	↓ -40
2-week	-11	1	↓ -12	↓ -41
1-month	-2	0	↓ -2	↓ -34
3-month	2	5	↓ -3	↓ -6
6-month	10	2	↑ 8	↑ 3
9-month	34	28	↑ 6	↑ 3
12-month	39	38	↑ 1	↑ 11
2-year	28	57	↓ -29	↓ -10
3-year	29	23	↑ 6	↑ 5



* up to July 22, 2015

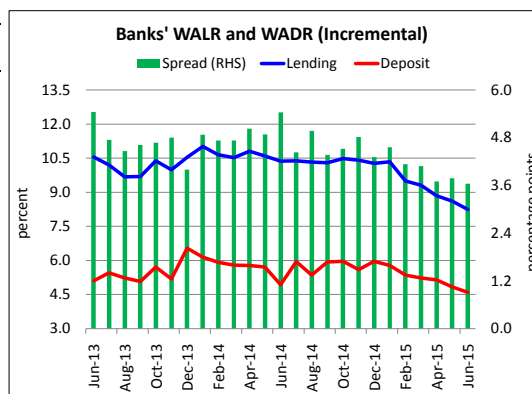
Sources: SBP and Financial Market Association of Pakistan



Spread between incremental WALR and WADR stands at 364 bps in June 2015.

Weighted average Lending and Deposit Rates (percent per annum)

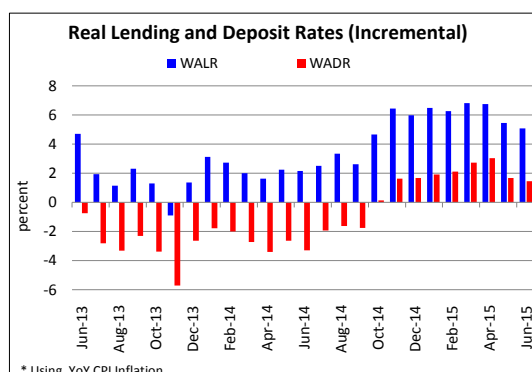
Months	Incremental ¹		Spread (bps)	Outstanding		Spread (bps)
	WALR	WADR		WALR	WADR	
Jun-14	10.37	4.93	543	11.10	4.75	636
Jul-14	10.38	5.95	443	11.06	5.11	595
Aug-14	10.33	5.36	497	10.92	5.17	575
Sep-14	10.30	5.93	437	11.00	5.12	588
Oct-14	10.48	5.96	452	10.92	5.11	581
Nov-14	10.41	5.59	482	10.93	5.11	581
Dec-14	10.28	5.97	431	10.92	4.90	602
Jan-15	10.35	5.78	457	10.73	4.94	579
Feb-15	9.50	5.36	414	10.55	4.66	589
Mar-15	9.31	5.22	408	10.47	4.55	591
Apr-15	8.85	5.15	370	9.95	4.38	558
May-15	8.61	4.83	377	9.85	4.26	559
Jun-15	8.24	4.60	364	9.63	3.84	579



¹ Weighted average rates on incremental (fresh) loans and deposits (including interbank and zero markup) during a month.

Both real lending and deposit rates, calculated on the basis of YoY CPI inflation, have decreased in June 2015.

Months	Real (based on 12-month MA inflation) ²		Real (based on YoY inflation) ³	
	WALR	WADR	WALR	WADR
Jun-14	1.75	-3.69	2.14	-3.29
Jul-14	1.79	-2.64	2.49	-1.93
Aug-14	1.88	-3.08	3.33	-1.63
Sep-14	1.83	-2.54	2.62	-1.75
Oct-14	2.30	-2.22	4.66	0.14
Nov-14	2.81	-2.01	6.44	1.63
Dec-14	3.09	-1.22	5.98	1.67
Jan-15	3.50	-1.06	6.47	1.91
Feb-15	3.05	-1.09	6.26	2.12
Mar-15	3.36	-0.73	6.82	2.73
Apr-15	3.49	-0.21	6.74	3.04
May-15	3.67	-0.11	5.45	1.67
Jun-15	3.72	0.07	5.08	1.44



* Using YoY CPI Inflation.

² Nominal rate less CPI inflation (12-month moving average).

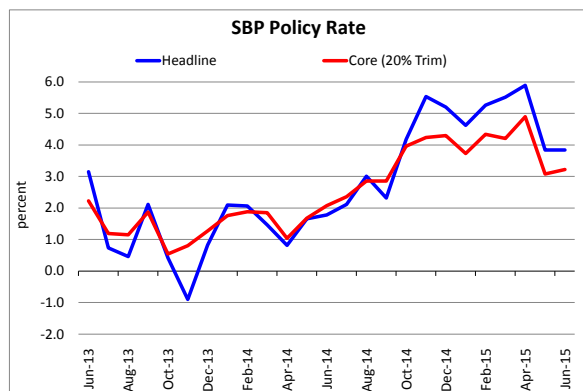
³ Nominal rate less CPI inflation (year on year).

Sources: Statistics & Data Warehouse Department, SBP & Pakistan Bureau of Statistics

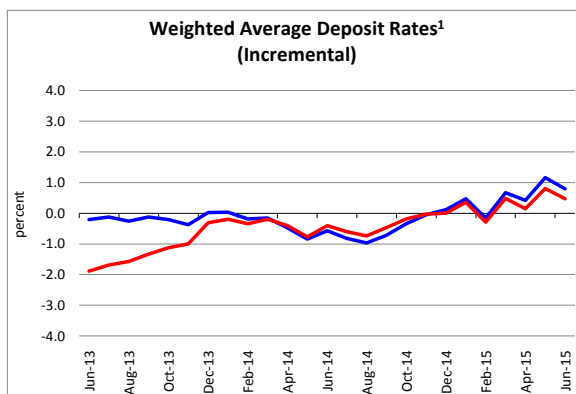
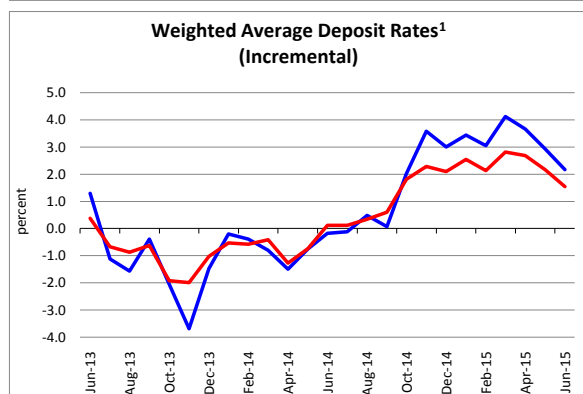
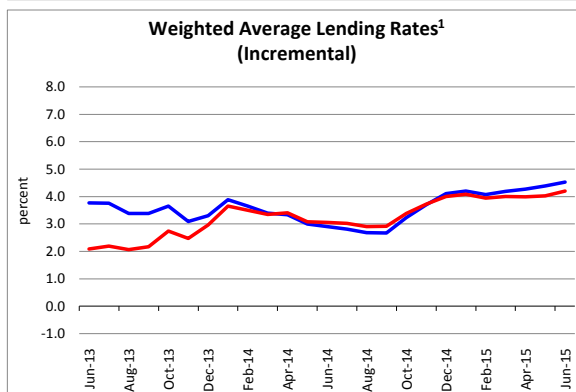
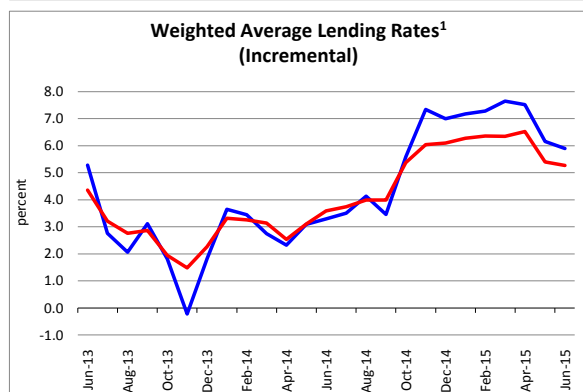
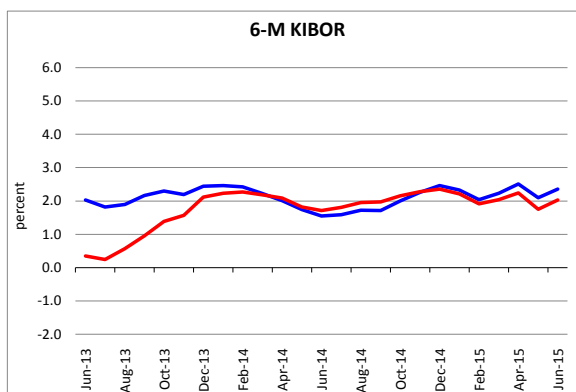
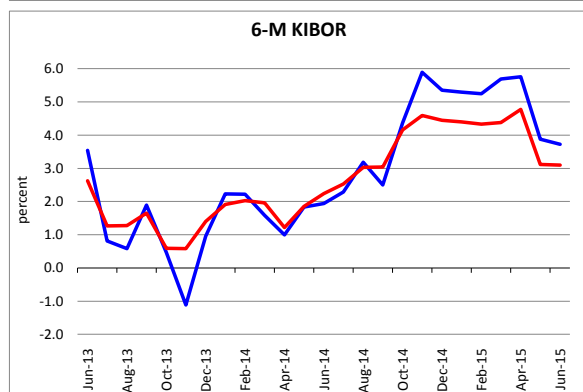
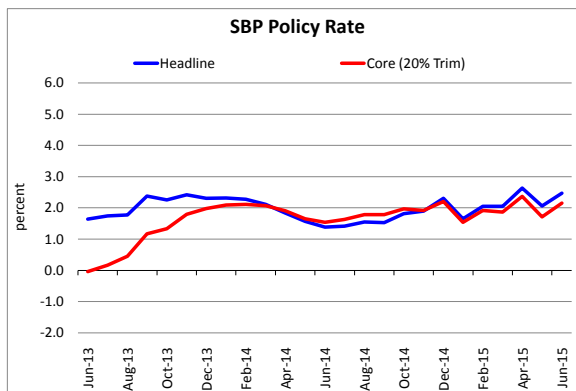


Real Interest Rates

Using YoY CPI inflation



Using 12-month moving average CPI inflation



¹ Weighted average lending and deposit rates excluding transactions in the interbank and on zero markup.

Sources: PBS and Statistics & Data Warehouse Department, SBP



Monetary Policy Information Compendium

July 2015

In the T-bill auctions held in Q1-FY16 so far, government has raised greater than the targeted amount.

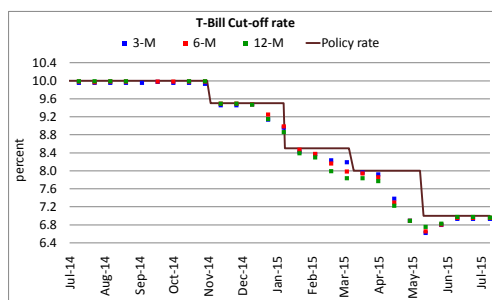
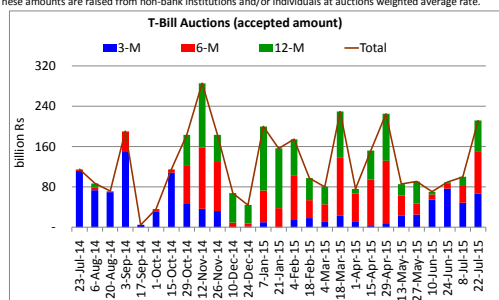
FY/Q/ Settlement date	TOTAL				T-Bill Auction (billion Rs (Realized value); rates in percent)			3-Month			6-Month			12-Month			Non- competitive bids ⁴
	Target	Maturity	Offered	Accepted ²	Offered	Accepted ²	Cut-off ³	Offered	Accepted ²	Cut-off ³	Offered	Accepted ²	Cut-off ³	Offered	Accepted ²	Cut-off ³	
FY13	5,075.0	5,049.0	7,160.3	4,772.3	1,308.0	884.2	-	3,243.1	2,136.6	-	2,609.1	1,751.4	-	511.3			
Q1	1,500.0	1,487.1	2,231.1	1,611.3	191.0	129.5	10.23	967.6	755.4	10.24	1,072.5	726.4	10.26	152.2			
Q2	1,125.0	1,148.9	2,012.2	956.5	191.2	81.6	9.28	1,174.3	543.0	9.30	646.7	331.8	9.36	128.3			
Q3	1,125.0	1,103.8	1,492.6	1,050.8	665.9	460.5	9.41	713.3	515.9	9.43	113.4	74.5	9.42	111.7			
Q4	1,325.0	1,309.2	1,424.4	1,153.6	259.9	212.5	8.96	388.0	322.4	8.97	776.5	618.7	8.98	119.0			
FY14	8,425.0	8,148.4	6,951.4	6,354.6	5,209.6	4,696.7	-	924.8	857.6	-	817.0	800.4	-	287.8			
Q1	1,600.0	1,594.6	1,446.6	1,276.7	1,200.3	1,057.4	9.41	230.6	210.0	9.45	15.7	9.3	8.98	72.2			
Q2	2,100.0	2,248.8	2,591.3	2,259.2	2,560.6	2,244.7	9.96	29.9	14.5	9.98	0.8	-	-	87.9			
Q3	2,450.0	2,360.2	1,728.3	1,646.0	1,177.3	1,129.2	9.96	325.3	300.7	9.98	225.6	216.1	9.99	72.7			
Q4	2,275.0	1,944.7	1,185.3	1,172.7	271.4	265.4	9.96	339.0	332.4	9.97	575.0	575.0	9.99	55.0			
FY15	3,745.0	3,305.3	6,167.0	3,244.2	1,525.6	1,068.0	-	1,977.3	1,107.3	-	2,664.0	1,069.0	-	292.5			
Q1	700.0	630.1	603.3	601.2	535.8	534.9	9.96	56.1	54.9	9.98	11.4	11.4	9.99	39.4			
Q2	1,245.0	978.9	976.0	915.4	262.7	255.7	9.48	324.1	323.2	9.48	389.2	336.6	9.47	60.0			
Q3	925.0	569.8	2,394.1	937.8	121.6	75.8	8.19	750.9	375.6	7.99	1,521.6	486.4	7.84	106.2			
Q4	875.0	1,126.6	2,193.5	789.9	605.4	201.6	6.93	846.2	353.6	6.95	741.8	234.7	6.97	87.0			
FY16¹ Q1	275.0	148.9	392.5	311.6	134.8	115.7	6.93	140.4	119.0	6.95	117.3	76.9	6.96	20.0			

¹ Up till July 23, 2015

² The amount does not include the non-competitive bids.

³ Quarterly rate are for end-period.

⁴ These amounts are raised from non-bank institutions and/or individuals at auctions weighted average rate.



In the PIB auctions held in Q1-FY16 so far, government has raised less than the targeted amount.

		PIB Auction (billion Rs (Face value); rates in percent) ⁵							Total	Target
		3-Year	5-Year	7-Year	10-Year	15-Year	20-Year	30-Year		
FY14	Cut-off rate ⁶	12.1	12.6	-	13.0	-	13.0	-	-	-
	Offered	1221.7	459.9	-	508.1	-	22.3	-	2212.0	-
	Accepted	1161.6	420.7	-	416.0	-	20.3	-	2018.6	780.0
Q3	Cut-off rate	12.1	12.6	-	12.9	-	12.9	-	-	-
	Offered	527.5	249.6	-	237.0	-	12.8	-	1026.8	-
	Accepted	503.2	245.4	-	218.6	-	11.8	-	978.9	180.0
Q4	Cut-off rate	12.1	12.6	-	13.0	-	13.0	-	-	-
	Offered	609.9	140.3	-	124.4	-	9.0	-	883.6	-
	Accepted	604.7	139.1	-	123.9	-	8.0	-	875.7	300.0
FY15	Cut-off rate ⁶	7.6	8.1	-	R	-	8.8	-	2125.8	-
	Offered	1081.1	564.7	-	471.4	-	8.8	-	2125.8	-
	Accepted	471.6	274.7	-	210.9	-	8.0	-	965.2	750.0
Q1	Cut-off rate	12.6	13.0	-	13.5	-	13.6	-	-	-
	Offered	207.6	64.1	-	92.7	-	7.5	-	371.9	-
	Accepted	162.4	57.4	-	74.6	-	7.5	-	302.0	300.0
Q2	Cut-off rate	10.6	10.8	-	11.7	-	-	-	-	-
	Offered	481.2	145.0	-	192.0	-	0.8	-	819.0	-
	Accepted	178.1	69.8	-	92.4	-	-	-	340.3	150.0
Q3	Cut-off rate	8.3	8.7	-	9.5	-	-	-	-	-
	Offered	229.0	243.5	-	134.8	-	0.5	-	607.8	-
	Accepted	37.7	116.2	-	24.7	-	0.5	-	179.1	150.0
Q4	Cut-off rate ⁶	8.1	9.0	-	R	-	-	-	-	-
	Offered	163.3	112.1	-	51.8	-	-	-	327.2	-
	Accepted	93.4	31.4	-	19.1	-	-	-	143.8	150.0
FY16¹ Q1	Cut-off rate ⁶	8.09	9.00	-	-	-	-	-	-	-
	Offered	96.41	70.15	-	8.90	-	-	-	175.5	-
	Accepted	39.00	12.70	-	-	-	-	-	51.7	100.0

⁵ Either no bid received or bids were rejected.

⁶ Excluding non-competitive bids and short-selling accommodation

⁷ Quarterly rate are for end-period.

⁸ Up till Jul 22, 2015

Government had successfully raised the targeted amount in the Sukuk auctions held in Q4-FY14.

3-year Ijarah Sukuk Auction (billion Rs; margin in bps)			
	Target	Total offered	Total accepted
FY13	88.0	196.9	90.0
Q1	45.0	110.6	47.0
Q2	-	-	-
Q3	43.0	86.3	43.0
Q4	-	-	-
FY14	49.5	113.7	49.5
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	49.5	113.7	49.5
FY15	-	-	-
Q1	-	-	-
Q2	-	-	-
Q3	-	-	-
Q4	-	-	-

⁸ This cut-off margin, with the benchmark of 6-Month MTB Auction Weighted Average Yield, is applicable to all accepted bids

Source: Domestic Markets & Monetary Management Department, SBP



Foreign Exchange Market

In FY16 so far, Pak rupee has depreciated by 0.09 percent against US Dollar.

	PKR against international currencies			% App/(Dep) of PKR
	Latest 22-Jul-15	Last MPS 22-May-15	Jun-15	Cumulative since Jun-15
USD	101.88	101.97	101.78	(0.09)
Euro	111.38	114.11	113.36	1.78
Sterling	159.07	159.73	159.99	0.58
JPY	0.82	0.84	0.83	1.24
USD Kerb	103.13	103.13	102.80	(0.32)
Premium (Rs)	1.25	1.15	1.02	-
Daily NEER	93.16	91.36	92.04	1.22

Source: SBP

	International exchange rates ²			% App/(Dep) of USD
	Latest 22-Jul-15	Last MPS 22-May-15	Jun-15	Cumulative since Jun-15
USD/EUR	1.09	1.12	1.11	1.88
USD/GBP	1.56	1.57	1.57	0.68
JPY/USD	123.69	120.77	122.07	1.33
INR/USD	63.56	63.50	63.76	(0.32)
CNY/USD	6.21	6.20	6.20	0.14
THB/USD	34.65	33.32	33.77	2.62
MYR/USD	3.79	3.58	3.77	0.50
SGD/USD	1.36	1.33	1.35	1.31

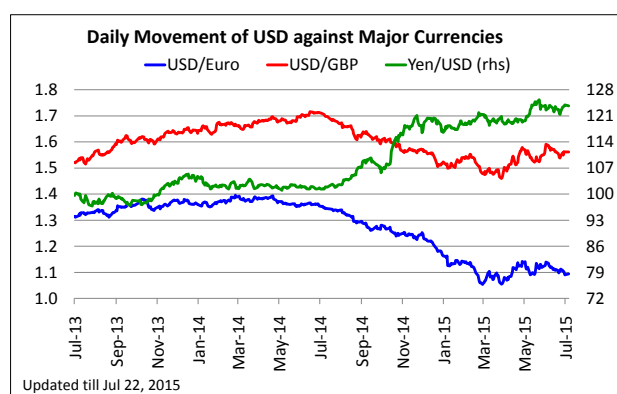
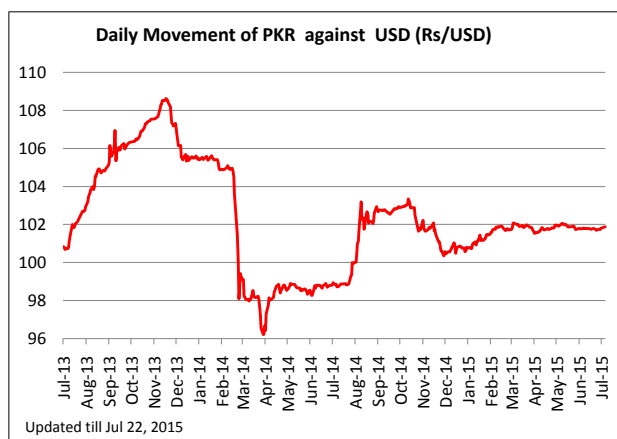
² The exchange rates are shown as per country practices

PKR/USD Interbank Exchange Rate Trends on Fiscal Year Basis

	High	Low	Close	Average	Volatility C/C ³
FY10	85.58	81.40	85.51	83.89	3.02
FY11	86.50	83.93	85.97	85.56	2.40
FY12	94.69	85.79	94.55	89.27	2.48
FY13	99.80	93.70	99.66	96.85	1.67
FY14	110.50	95.75	98.80	102.88	4.07
FY15	103.45	98.58	101.78	101.46	2.44
FY16 ⁴	101.91	101.69	101.88	101.76	0.44

³ Reuters: Average Close-to-Close Daily Volatility (in %)

⁴ Updated upto 22nd July 2015



PKR/USD Interbank Exchange Rate Trends on Quarterly Basis

	High	Low	Close	Average	Volatility C/C ³
Q3-FY13	98.53	97.22	98.44	97.92	1.30
Q4-FY13	99.80	98.24	99.66	98.52	1.03
Q1-FY14	110.50	99.55	106.06	103.06	3.45
Q2-FY14	108.75	105.10	105.32	107.01	3.03
Q3-FY14	105.70	97.12	98.53	103.48	5.63
Q4-FY14	98.96	95.75	98.80	98.31	4.14
Q1-FY15	103.27	98.58	102.63	100.70	4.32
Q2-FY15	103.45	100.23	100.48	101.88	2.92
Q3-FY15	102.24	100.53	101.94	101.41	1.74
Q4-FY15	102.18	101.44	101.78	101.83	0.87
Q1-FY16 ⁴	101.91	101.69	101.88	101.76	0.44



In Real terms, Pak rupee has appreciated by 7.8 percent during Jul-May FY15.

Changes in Nominal Effective Exchange Rate (NEER)
Base Year: CY2010

		NEER Index	Base Year: 2013									
				2013			2014				2015	
				Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar ^R	May ^P
2013	Jun	86.48		-	-6.27	-8.14	-1.61	-0.26	-1.79	3.60	7.41	5.83
	Sep	81.06		-	-	-2.00	4.97	6.41	4.78	10.52	14.59	12.90
	Dec	79.44		-	-	-	7.11	8.57	6.91	12.77	16.93	15.20
2014	Mar	85.09		-	-	-	-	1.36	-0.18	5.29	9.17	7.55
	Jun	86.25		-	-	-	-	-	-1.53	3.87	7.70	6.11
	Sep	84.93		-	-	-	-	-	-	5.48	9.37	7.75
	Dec	89.59		-	-	-	-	-	-	-	3.68	2.15
2015	Mar ^R	92.89		-	-	-	-	-	-	-	-	-1.48
	May ^P	91.52		-	-	-	-	-	-	-	-	-

^R Revised

Changes in Relative price Index (RPI)
Base Year: CY2010

		RPI	Base Year: C12010									
				2013			2014				2015	
				Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar ^R	May ^P
2013	Jun	120.67	-	2.03	3.87	4.31	5.83	7.92	6.87	5.72	7.48	
	Sep	123.12	-	-	1.80	2.23	3.72	5.77	4.74	3.61	5.34	
	Dec	125.34	-	-	-	0.42	1.88	3.90	2.89	1.78	3.47	
2014	Mar	125.86	-	-		-	1.45	3.46	2.46	1.35	3.04	
	Jun	127.69	-	-	-	-	-	1.98	0.99	-0.10	1.56	
	Sep	130.22	-	-	-	-	-	-	-0.97	-2.04	-0.40	
	Dec	128.96	-	-	-	-	-	-	-	-1.08	0.57	
2015	Mar ^R	127.56	-	-	-	-	-	-	-	-	1.67	
	May ^P	129.69	-	-	-	-	-	-	-	-	-	

^P Provisional

Changes in Real Effective Exchange Rate (REER)
Base Year: CY2010

		REER Index	Base Year: 2010									
			2013			2014				2015		
			Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar ^R	May ^P	
2013	Jun	104.35	-	-4.36	-4.58	2.63	5.55	5.99	10.71	13.55	13.74	
	Sep	99.80	-	-	-0.23	7.31	10.36	10.82	15.76	18.73	18.93	
	Dec	99.57	-	-	-	7.56	10.62	11.08	16.03	19.01	19.21	
2014	Mar	107.10	-	-	-	-	2.84	3.27	7.87	10.64	10.82	
	Jun	110.14	-	-	-	-	-	0.42	4.90	7.58	7.77	
	Sep	110.60	-	-	-	-	-	-	4.46	7.14	7.32	
	Dec	115.53	-	-	-	-	-	-	-	2.56	2.74	
2015	Mar ^R	118.49	-	-	-	-	-	-	-	-	0.17	
	May ^P	118.69	-	-	-	-	-	-	-	-	-	

^P Provisional

Source: SBP



Capital Market

KSE-100 Index and Market Capitalization has increased by 4.8 percent and 3.1 percent respectively during July 2015 so far.

Performance of Karachi Stock Exchange

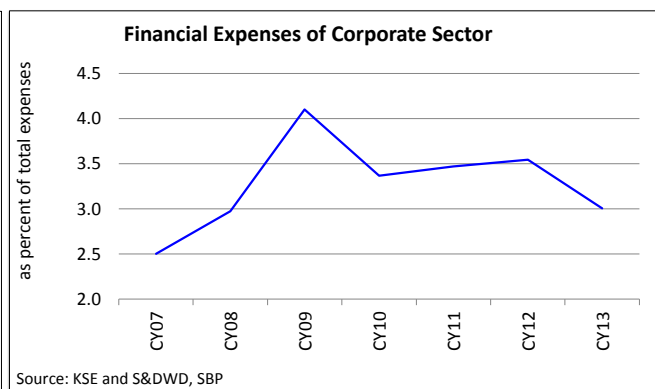
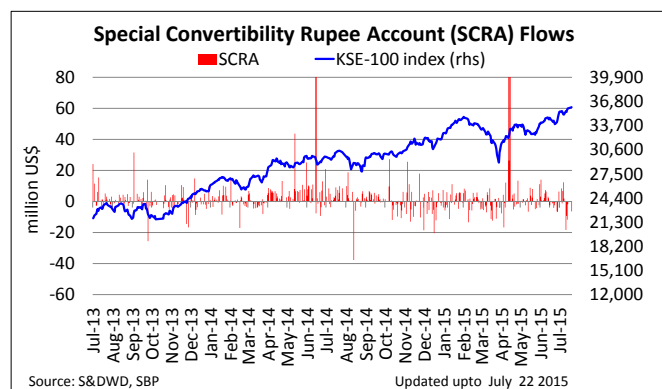
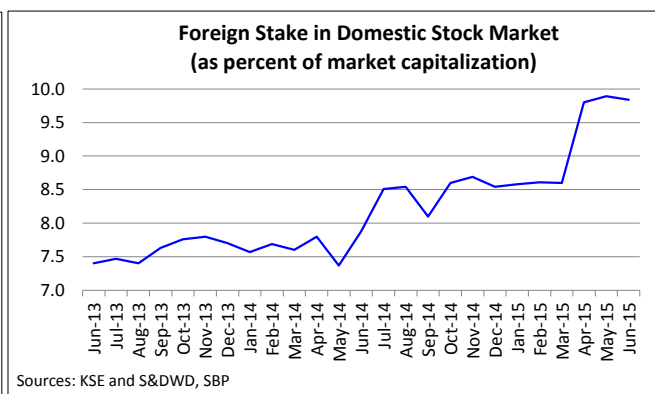
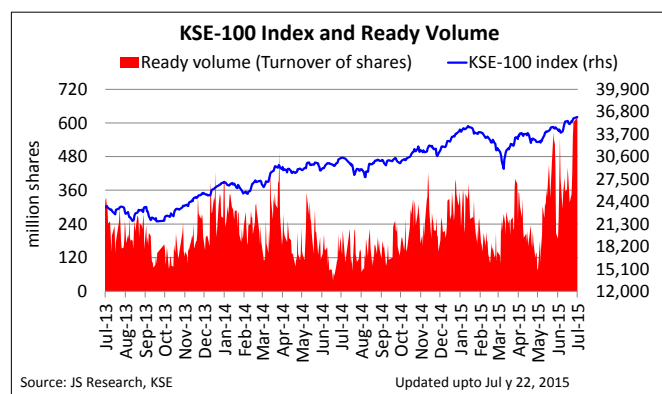
	Jul-15 ¹	Jun-15	FY-15	FY-14	Percentage change during		
					Jul FY16 ²	FY15	FY14
End-period KSE-100 index	36,057	34,399	34,399	29,653	4.8	16.0	41.2
End-period KSE-30 index	22,402	21,573	21,573	20,416	3.8	5.7	26.0
Market capitalization (billion Rs) ³	7,614	7,386	7,211	6,171	3.1	16.9	43.5
Ready volume (million shares) ³	428	377	220	216	-	-	-
SCRA flows (US\$ million) ⁴	-17.1	23.9	826.7	689.1	-	-	-

¹ Upto 22 July 2015

² Reflects growth since end of the previous month

³ Average during the period

⁴ Cumulative flow during the period upto 22 July 2015



Sources: Karachi Stock Exchange (KSE), Statistics & Data Warehouse Department (S&DWD), SBP and JR Research.



Financial Soundness Indicators

Despite a slight deterioration in the asset quality, overall performance of the banking system has improved during Q3-FY15 compared to the previous quarter.

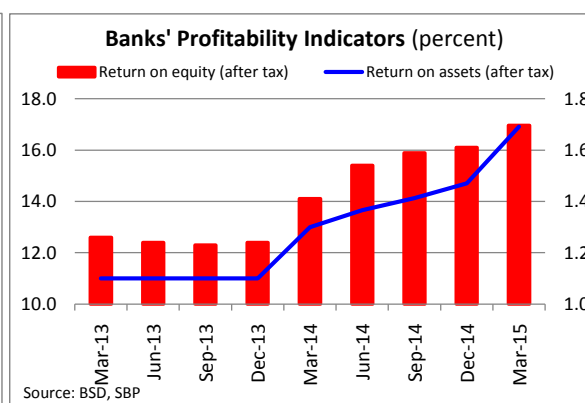
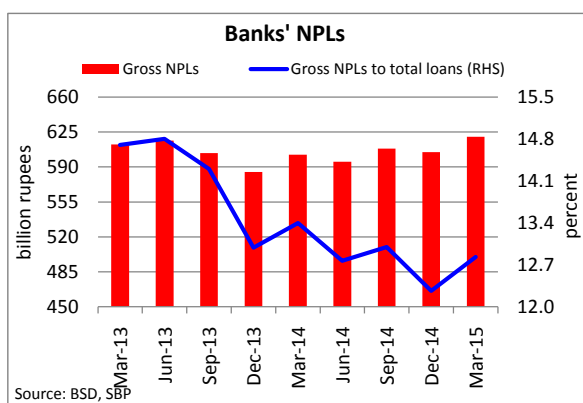
percent

	Mar 2014	Jun 2014	Sep 2014	Dec 2014	Mar 2015
Risk weighted CAR ¹	14.8	15.1	15.5	17.1	17.4
Gross NPLs to total loans	13.4	12.8	13.0	12.3	12.8
Provision to NPLs	77.8	79.5	77.6	79.8	80.2
Net NPLs to net loans	3.3	2.9	3.2	2.7	2.8
Returns on assets (before tax)	1.9	2.1	2.2	2.2	2.6
Return on assets (after tax)	1.3	1.4	1.4	1.5	1.7
ROE (before tax) ²	21.3	23.5	24.2	24.3	26.0
ROE (after tax) ²	14.1	15.4	15.9	16.1	17.0
Net interest income/gross income	69.9	70.5	71.4	71.3	68.3
Liquid assets/total assets	48.3	47.8	48.3	49.2	51.9
Liquid assets/total deposits	63.7	60.6	61.4	64.5	70.4
Advances/deposits	49.2	47.7	48.2	48.2	46.9

Note: Figures are based on unaudited Quarterly Report of Condition (QRC) submitted by banks.

¹ Data of IDBP, PPCBL, and SME is based on Basel I.

² Average equity and surplus.



Source: Banking Surveillance Department (BSD), SBP