

# **STATISTICS ON SCHEDULED BANKS IN PAKISTAN**

**December 2013**



**STATE BANK OF PAKISTAN  
STATISTICS & DATA WAREHOUSE  
DEPARTMENT**

**[www.sbp.org.pk](http://www.sbp.org.pk)**

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### **Our Mission**

To promote monetary and financial stability and foster a sound and dynamic financial system, so as to achieve sustained and equitable economic growth and prosperity in Pakistan.

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### **Our Vision**

To transform SBP into a modern and dynamic central bank, highly professional and efficient, fully equipped to play a meaningful role, on sustainable basis, in the economic and social development of Pakistan.

## **Preface**

Statistics & DWH Department of the State Bank of Pakistan makes all out efforts to publish quality statistics with minimum possible time lag. The publication “Statistics on Scheduled Banks in Pakistan” is a reflection of the one of such efforts in this regard. The publication has significant importance and it provides information on multi aspects of the financial sector which is widely used by users working in various disciplines.

The “Statistics on Scheduled Banks in Pakistan” is based on half-yearly branch-wise data reported by the scheduled banks operating in Pakistan. The data is collected on various dimensions of bank’s assets and liabilities i.e. deposits, advances, investments and bills purchased & discounted etc. This publication is divided into different parts; each part possesses its own significance. The data tables are supported by easy-to-understand graphs and charts which help to provide the insight of the complicated numbers at a glance. The quality and reliability of data has been improved significantly over the years. I appreciate the efforts of the team in compiling this valuable publication. Comments and suggestion for further improvements in the publication are welcome.

Dr. Azizullah Khattak  
Director  
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## **Acknowledgement**

The team is greatly thankful to Dr. Azizullah Khattak, Director and Dr. Ishaque Ahmed Ansari, Additional Director of Statistics & DWH Department for their valuable feedback and continuous guidance in preparation of this publication. We are grateful to members of Monetary & Financial Statistics Unit of Statistics & DWH Department, Infrastructure, Housing & SME Finance Department of the State Bank of Pakistan and all scheduled banks for their valuable contribution in providing data for the publication.

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## ***I. Introduction***

### **Background**

Banking sector plays a pivotal role in the economic development of a country. State Bank being a central bank and regulator of the banking system has to compile and disseminate statistics on the scheduled banks operating in Pakistan.

Statistics & DWH Department of State Bank of Pakistan compiles and disseminates data through different publications. Keeping up the pace with the increased use of IT, the data is also placed on the State Bank's website ([www.sbp.org.pk](http://www.sbp.org.pk)) for the easy access by the users. The publication is based on the revised reporting system effective from June 1982. It was based on quarterly reporting of the banks that was subsequently changed to biannual from December 1992.

### **Standards and Classifications**

Effective from December 2001, the category of deposit holders and advances classified by borrower for domestic constituents has been reclassified as Government, Non-Financial Public Sector Enterprises (NFPSE's), Non-Bank Financial Companies (NBFC's), Private Sector (Business), Trust Funds & Non-Profit Institutions (NPI's), Personal, and Others.

Major changes are carried out in the classification of banking sector attributes. The classification of economic groups under private sector has been enhanced in the light of International Standard Industrial Classification (ISIC)-Rev.3.1 of the United Nation's Statistics Division.

### **Composition of Banking Groups**

The publication is based on data of all scheduled banks operating in Pakistan which are classified into three main groups namely public sector banks, domestic private banks and foreign banks. Public sector banks are further divided into public sector commercial banks and specialized banks.

### **Scheduled Banks**

In terms of Section 13 of Companies Ordinance 1962, the scheduled banks maintain minimum required capital and reserve balance which is determined by SBP from time to time. Currently as per BSD circular No. 7 of 2009 an aggregate value not less than Rs. 10 billion by December 31,

2013 and conducting their affairs in a manner not detrimental to the interest of their depositors have been declared as scheduled banks.

### **Public Sector Banks**

The banks incorporated in Pakistan and their shares & capital controlled by the Government units is referred to Public sector banks (Appendix II).

#### ***Public Sector Commercial Banks***

These are the scheduled banks mainly involved in the activities of deposits mobilization and extending credit through a branch network. These banks deal in short term collateralized lending such as trade financing, overdraft and provide a range of financial services to the clients. With the liberalization of banking rules and laws, commercial banks are now allowed to undertake other related activities such as underwriting, portfolio investment, securities market operations, specialized financing and related services.

#### ***Specialized Banks***

Specialized banks are established to provide credit facilities, assistance and advice to clients in a designated sector or in a designated line of credit; for example agriculture sector, industrial sector, housing sector, SME sector. These institutions perform lending function, but may not engage in routine commercial banking activities. These are established, organized, and chartered under special legislative acts instead of being chartered as a bank under the banking law.

### **Domestic Private Banks**

The banks incorporated in Pakistan and controlled by the private sector are termed as domestic private banks.

### **Foreign Banks**

Bank branches with head offices outside Pakistan are called foreign banks.

### **Islamic Banking**

For the promotion of Islamic Banking in Pakistan, SBP issued policies/guidelines as per BPD circular No.1 of January 2003. Wherein a three-pronged strategy was adopted as under:

- a) Establishment of full-fledged Islamic Bank(s) in the private sector.
- b) Setting up subsidiaries for Islamic banking by existing commercial banks.
- c) Allowing Stand-alone branches for Islamic banking in the existing commercial banks.



All Islamic banks, subsidiaries and stand-alone branches offer Sharia compliant products and services only.

“Sharia compliant products and services” means banking products and services offered by banks to their clients which are duly approved by their Sharia advisers/ Sharia Supervisory Committee.

### **Scope**

This publication contains statistical tables prepared from the data supplied on half-yearly basis by the operating branches of the scheduled banks in Pakistan.

The publication starts with introduction followed by explanatory notes and review which includes summary tables on major statistics related to scheduled banks. The main variables are discussed in details aided by suitable graphs.

Some of the other major features include:

1. Key Statistics of Scheduled Banks at a Glance.
2. Distribution of Deposits, Advances, Bills Purchased & Discounted and Investments of Scheduled Banks by Groups.
3. Distribution of Type of Deposits of Scheduled Banks by Groups.
4. Maturity Breakup of Term Deposits of Scheduled Banks by Groups.
5. Advances Classified by Securities & Borrowers.
6. Advances by Modes of Financing.
7. Province/Region Wise Deposits and Advances.

## ***II. Explanatory Notes***

The scheduled banks statistics are based on branch-wise data reported on half-yearly basis by the scheduled banks in Pakistan. The data is collected on various dimensions of major sources (deposits) and resources (advances, investments and bills purchased & discounted) along with liabilities and assets statement. The data dimensions and terminology that need some explanation is discussed for information of the users.

### **Liabilities and Assets**

The items of Capital and Reserves on the liability side pertain to the principal or head office of the bank.

**Capital** comprises paid-up capital of Pakistani Banks. In case of Foreign Banks, it is the equivalent Pakistani rupee amount kept with the State Bank of Pakistan as reserve capital required to be maintained under the rules.

**Reserves** include all types of reserves maintained by the scheduled banks.

**Balances with other Scheduled Banks.** This includes the balances of all Scheduled Banks with any other bank and excludes the balances with National Bank of Pakistan working as an agent of State Bank of Pakistan, which are included in 'Balances with State Bank of Pakistan'.

As per established accounting procedure, the reporting branches of Scheduled Banks adjust certain entries with their Principal/Head (inter-bank) offices to balance their positions. The gross amounts of credits and debits of these adjustments tend to be large compared with other heads of accounts. These adjustments of 'Head office / inter-banks are netted out to consolidate bank-wise position that have been added to arrive at overall position. It is significant to mention that the data on liabilities and assets in this publication may differ slightly from the data in Weekly Press Communiqué of Off-site Supervision & Enforcement Department of SBP due to difference in timing and coverage of the two sets of data.

### **Deposits**

**Outstanding Deposits.** This shows the position of deposits held by banks at the end of the period (30th June or 31st December). Deposits are the amount held in various types of deposit accounts by bank, such as demand deposits, time and saving deposits. Deposits include all types

of deposits excluding interbank deposits, placements and margin deposits (deposits held by banks as collateral against letters of credits, letters of guarantees).

The data on Deposits is collected and compiled on various dimensions explained as under:

**Types of Accounts.** Deposits accounts are classified under five main type's namely current, call, saving, fixed and other deposits.

**Category of Deposit Holders.** This describes the main business or profession of the deposit account holders. They are broadly classified as non-resident and domestic constituents, which is cascaded down to Government, Non- financial public sector enterprises (NFPSEs), Non-bank financial Companies (NBFCs), Private sector (Business), Trust Fund and Non-Profit Institutions, Personal and Others. The Private sector has been further distributed in sub-heads such as Agriculture, Fishing, Mining & Quarrying, Manufacturing, Ship breaking, Electricity and Construction according to the ISIC classification of United Nations.

**Rate of Interest.** It is the rate offered by Scheduled Banks on various types of deposits such as foreign currency accounts scheme, over five years maturity and unclaimed, overdue or matured fixed deposits maintained under conventional banking.

**Rate of Return on PLS Deposits.** It is the rate of profit given by the Scheduled Banks on various types of deposits such as call, saving and fixed deposits maintained under the scheme "Elimination of Riba from the Banking System". The rates are announced after the completion of the period of investment usually a half year based on June and December end in July and January.

**Size of Deposits Accounts.** The deposits accounts are classified under various classes on the basis of the balances in the respective accounts. As the number of accounts is considerably large, for reporting ease, the banks have option to club the accounts and amounts in cases where, the "Nature", "Type of Accounts", "Category of Deposit Holders" and "Rate of Interest/Return" is the same. For such grouped accounts it is the average size of the group instead of actual size of the component that determines the class to which it belongs. It is believed that the estimates would not differ significantly from the actual position.

**Debits to Deposit and Turnover.** The deposits are reported on net basis at the end of half-year. The debits on these accounts help in analyzing the turnover in the respective accounts during the period. The co-efficient of turnover are calculated by dividing the debits with the averages amounts on deposits as reported by the banks.

## Advances

**Outstanding Advances.** The total amount of advances/loans recoverable at the end of the period (30<sup>th</sup> June or 31<sup>st</sup> December), are termed as outstanding. Advances includes all type of advances except interbank placements and is the amount of money borrowed from banks for a period of time at a rate of interest and at terms of repayments as agreed between the borrower and the banks backed by a collateral.

The main attributes of advances are as under:

**Type of Securities.** In banking business, the security, or collateral, consists of assets, property, deposits or valuables held as guarantee against a credit or a loan. Type of security helps in the analysis of the quality of advances of the banking system. A list of classification of securities has been prepared as per international classification that can be seen under the tables of advances classified by securities in the statistical tables.

**Category of Borrowers.** Borrowers are first classified on the basis of non-resident and domestic constituents. The latter is then further classified into government, non- financial public sector enterprises, non- bank financial companies, private sector (business), trust funds & non-profit institutions, personal and others.

**Non-Resident.** This covers the transactions with the non-residents working in our economy. This includes Officials (Embassies consulates, foreign missions), Business (Corporations working in Pakistan for short periods as construction companies) and Personals (Students, travelers).

**Government.** This includes Federal Government, Provincial & Local Governments advances. Further, disbursements to Government (Federal, Provincial & Local) are made by bank branches located in various regions/provinces, while in case of deposits, the bank branches located in the various regions/provinces have mobilized the deposits from the Government (Federal, Provincial & Local). Similarly, disbursements to eight main borrowers (Non-resident, Govt., NFPSEs, NBFCs, Private Sector, Trust Fund, Personal and Others) are made by bank branches located in various regions/provinces, while in case of deposits, the bank branches located in the various regions/provinces have mobilized the deposits from these eight categories.

**NFPSE's (Non-Financial Public Sector Enterprises).** These are the non-financial resident corporations which are controlled by government, through ownership of more than half the voting shares, legislation, decree, or regulations that establish specific corporate policy or allow the government to appoint the directors.

**NBFC's (Nonbank Financial Companies) & Financial Auxiliaries.** Non-banking financial companies, or NBFCs, are financial institutions that provide banking services, but do not hold a banking license while Financial Auxiliaries are all resident corporations and quasi corporations primarily engaged in activities closely related to financial intermediation but which do not themselves perform an intermediation role. NBFCs & Financial Auxiliaries are categorized into groups of development finance institutions, leasing companies, investment banks, modaraba companies, housing finance companies, mutual funds, venture capital companies, discount houses, stock exchange, exchange companies and insurance companies etc.

**Private Sector.** This is that part of the economy which is run for private business profit and is not controlled by the state. This includes the majors sectors like Agriculture, Manufacturing etc.

**Trust Fund.** This includes the Private Trusts and Non-profit Institutions, Non-government Organizations (NGOs)/Community Based and Organizations (CBOs).

**Personal.** This includes Bank Employees and Consumer Financing which are classified under advances, while in case of deposits, Salaried Persons, Self-employed and Other Persons (House-wives, students etc.) are included.

**Others.** This includes all those which are not classified elsewhere.

**Rate of Interest/Return.** This is the cost of using borrowed money expressed as a rate, or a percentage of the principal amount for a period of time usually a year. In case of Islamic modes of financing it is referred as rate of mark-up.

**Size of Accounts for Advances.** The classification and system for size of accounts for advances is identical to the size of accounts for deposit as explained above.

**Rate of Margin.** Margin for collateral is the excess of the market/assessed value of the collateral over the amount of loan. Banks typically prefer to provide loan amount less than the assessed value of collateral, because in the event of default, there are costs in loan recovery and substantial losses with performing collateral; hence a margin of collateral is maintained.

### **Bills Purchased & Discounted**

Classification of Bills Purchased and Discounted provides the economic group wise claims of scheduled banks. Type of bills includes Export Bills, Import Bills, Inland Bills, Foreign

Bills and Others. The nature of bills purchased and discounted may be interest based or Financing under Islamic modes which includes Purchase of Trade Bills on Exchange Rate Differential or Purchase of Trade Bills on Commission.

### **Investments**

The banks report their investment in domestic and foreign securities/shares with details of holdings of each type of securities/shares and classify them as free or encumbered according to disposability. The holdings are classified by issuing institutions of securities/shares such as Federal and Provincial Governments' securities, foreign securities and other securities/shares (including shares, debentures, NIT units, participation term certificates, Sukuk, term finance certificate, certificate of investment, mutual fund and modaraba certificates, shares of other public and private sector enterprises). The purchase price (book value), original value (face value) and market value (market price) in case of tradable securities/shares are also reported.

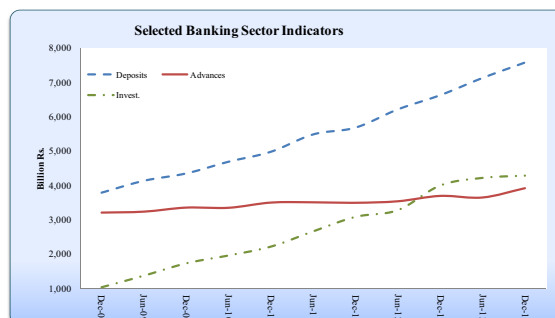
### **Regional Data**

The regional/province wise data on Advances & Deposits by Borrowers/Categories is disseminated due to the increasing demand from the users. Regional distribution of data on "Outstanding Advances" is based on disbursements by the bank branches located in the respective regions and place of actual utilization for these advances may be different from the place of disbursements. The regional position therefore may not reflect the true picture since offices of large companies/firms operating in different regions might have used banking facilities located in different regions. Therefore, there comes a huge responsibility on the part of users to keep these limitations of data in mind while drawing any conclusion on the basis of these data.

### III. Review

#### Overview

Banking sector of Pakistan is playing a key role in the growth of Pakistan economy. The progress of banking industry is due to the vigilant supervision of State Bank of Pakistan. Advances, deposits, investment in securities & shares, weighted average rates on advances & deposits are some important indicators of banking industry of Pakistan.



At the end of December 2013, deposits increased by 6.29% and 14.33% respectively as compared with the deposits at the end of June 2013 and December 2012 while advances & bills increased by 7.31% and 6.38% respectively as compared with the advances of end June 2013 and end December 2012. Weighted average lending rate decreased by 48 basis points and stood at 11.18 percent (p.a) at the end of December 2013 when compared with end June 2013. Similarly, weighted average deposits rates have moved to 6.64 percent (p.a) at end December 2013 increased by 36 basis points from the previous period. Summary position of selected banking indicators is given in the following table:

**Table 1: Selected Banking Sector Indicators**

Indicator	(Billion Rs.)				
	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
Deposit	7,583.0	7,134.4	6,632.6	6.29	14.33
Advances & Bills	4,133.5	3,851.8	3,885.4	7.31	6.38
Investments in Securities and Shares	4,279.0	4,213.7	3,990.8	1.55	7.22
Advances to Private Sector (Business)	2,683.8	2,414.2	2,540.0	11.17	5.66
Advances to Personals	323.8	305.8	295.2	5.87	9.68
*WA Deposits Rate	6.64%	6.28%	6.45%	5.69	2.95
**WA Deposits Rate – Interest Bearing*	0.58%	0.39%	0.55%	49.41	5.45
**WA Deposits Rate – PLS *	7.18%	6.73%	6.92%	6.68%	3.76%
**WA Lending Rate	11.18%	11.66%	11.93%	-4.12%	-6.29%

\* Excluding Current & Other Deposits

\*\* WA stands for weighted average rates paid/earn per annum

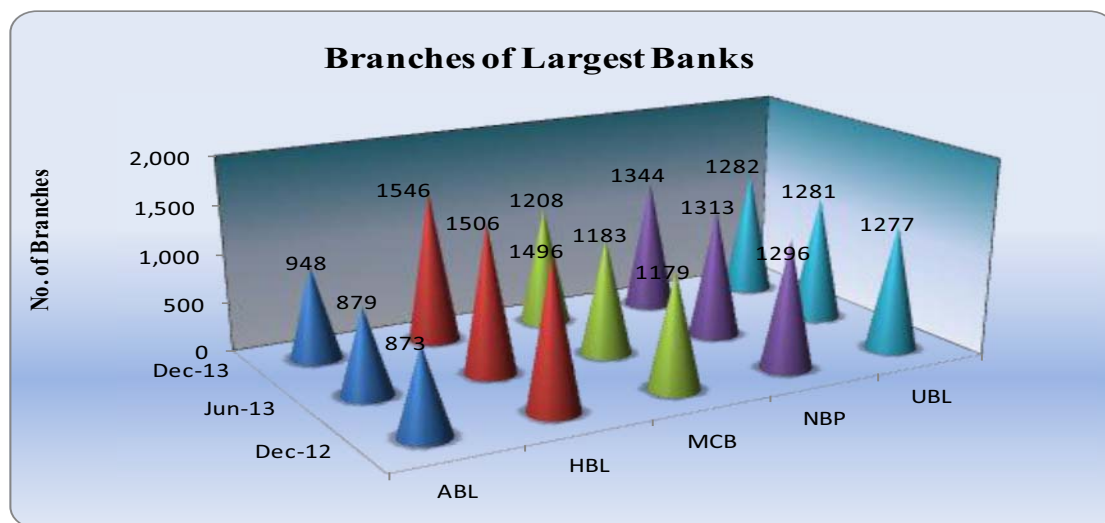
The following sections highlight movements in branch network, liabilities/ assets, deposits, advances, bills and investments, trends and banking activities concentration in various economic groups/sectors of the economy:-

### Banking Network

The number of scheduled banks operating in Pakistan was 38 at end December 2013. The branch network position of operational Scheduled Banks operating in Pakistan is as under:

**Table 2: Comparative Position of Number of Banks and Branches in the Country**

Group or Type of Bank	Dec-13		Jun-13		Dec-12	
	Banks	Branches	Banks	Branches	Banks	Branches
<b>1. Pakistani Banks</b>	<b>31</b>	<b>10913</b>	<b>31</b>	<b>10332</b>	<b>31</b>	<b>10262</b>
i. Public Sector	9	2559	9	2426	9	2400
a. Commercial	5	2011	5	1887	5	1868
b. Specialized	4	548	4	539	4	532
ii. Domestic Private	22	8354	22	7906	22	7862
<b>2. Foreign Banks</b>	<b>7</b>	<b>27</b>	<b>7</b>	<b>29</b>	<b>7</b>	<b>33</b>
<b>Total</b>	<b>38</b>	<b>10,940</b>	<b>38</b>	<b>10,361</b>	<b>38</b>	<b>10,295</b>





## Liabilities and Assets

Total liabilities/assets of all Scheduled Banks (see **Table 3**) stood at Rs. 19,673.6 billion at end December 2013, increased by Rs. 3,587.5 billion (22.3%) and Rs. 3,645.4 billion (22.7%) over end June 2013 and end December 2012 respectively. The asset/liabilities position of Public Sector Banks has shown a decrease of Rs. 1,768.6 billion (37.9 percent) over end June 2013. The Domestic Private Banks assets/liabilities increased by Rs. 5,079.5 billion (46.0 percent) over end June 2013. While the assets/liabilities of foreign banks increased by Rs. 276.6 billion (73.6 percent) over the previous half year.

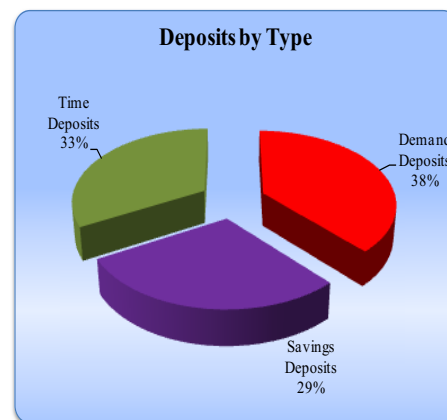
**Table 3: Composition of Overall Liabilities / Assets of Scheduled Banks**

Group or Type of Banks	(Billion Rs.)				
	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
<b>1. Pakistani Banks</b>	<b>19,021.0</b>	<b>15,710.1</b>	<b>15,538.3</b>	<b>21.07</b>	<b>22.41</b>
i. Public Sector Banks	2,903.6	4,672.2	2,696.9	-37.85	7.66
ii Domestic Private Banks	16,117.4	11,037.9	12,841.4	46.02	25.51
<b>2. Foreign Banks</b>	<b>652.6</b>	<b>376.0</b>	<b>489.9</b>	<b>73.56</b>	<b>33.20</b>
<b>Overall (1+2)</b>	<b>19,673.6</b>	<b>16,086.1</b>	<b>16,028.2</b>	<b>22.30</b>	<b>22.74</b>

\* Total may differ due to rounding off.

## Deposits

Total of demand and time deposits (excluding Inter-Bank) at the end of the period under review (see **Table 4**) amounting to Rs. **7,583.0** billion registered an increase of Rs. 448.6 billion (6.29 percent) over the end of June 2013 and Rs. 950.4 billion (14.33 percent) over the same period of the last year. Of this, demand deposits for the period end December 2013 stood at Rs. 2,384.8 billion increased by Rs. 134.6 billion from end June-13. Saving deposits stood at Rs. 3,136.2 billion increased by Rs. 205.5 billion when compared with end June-13. Time deposits stood at Rs. 2,062.1 billion higher by Rs. 108.6 billion as compared to the end June-13 (see **Table 15**).



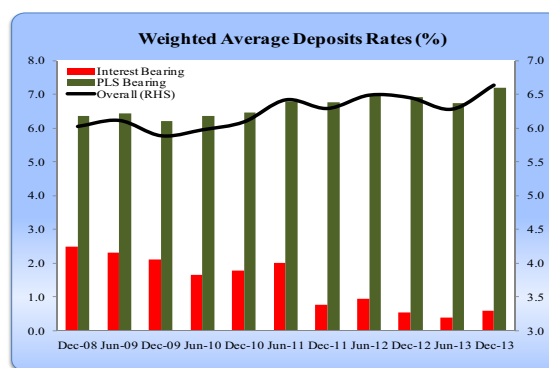
**Table 4: Scheduled Banks' Deposits by Type of Banks**

Group or Type of Banks	(Billion Rs.)				
	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
<b>1. Pakistani Banks</b>	<b>7,434.1</b>	<b>7,010.0</b>	<b>6,476.1</b>	<b>6.0</b>	<b>14.8</b>
i. Public Sector Banks	1347.3	1371.8	1159.1	-1.8	16.2
ii Domestic Private Banks	6086.8	5638.2	5317.0	8.0	14.5
<b>2. Foreign Banks</b>	<b>148.9</b>	<b>124.4</b>	<b>156.5</b>	<b>19.7</b>	<b>-4.8</b>
<b>Overall (1+2)</b>	<b>7,583.0</b>	<b>7,134.4</b>	<b>6,632.6</b>	<b>6.3</b>	<b>14.3</b>

\* Total may differ due to rounding off.

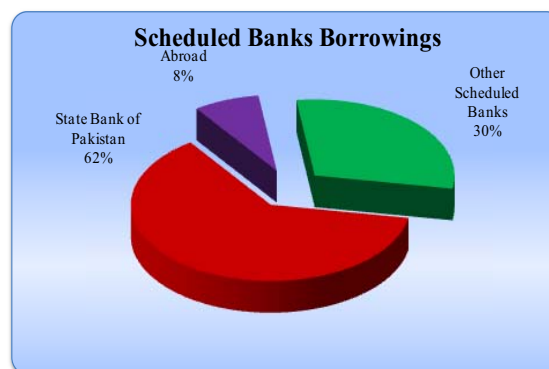
### ***Rate of Return on Deposits:***

Weighted average rate of return on PLS (excluding current and other deposits) deposits stood at 7.18 percent in end December 2013 which is increased by 45 basis points and 26 basis points when compared with end June 2013 and end December 2012 respectively. Similarly weighted average rate of return on interest bearing deposits increased by 19 basis points and 03 basis points over the end June-13 and end Dec-12 respectively and stood at 0.58 percent.



### **Borrowings**

Scheduled banks borrowings at the end of December 2013 decreased by Rs. 114.1 billion (14.90 percent) when compared with end June 2013 and decreased by Rs. 358.3 billion (35.50 percent) when compared with end December 2012 (see **Table 5**). Borrowings from SBP have been decreased by Rs. 80.2 billion (16.47 percent) over end June-13 and decreased by Rs. 491.6 billion (54.72 percent) over end Dec-12.



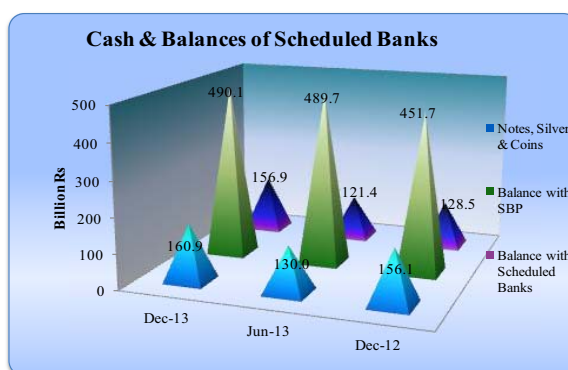
**Table 5: Composition of Scheduled Banks' Borrowings**

Source	(Billion Rs.)				
	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
State Bank of Pakistan (SBP)	406.8	487.0	898.4	-16.5	-54.7
Abroad	49.7	43.0	21.3	15.6	133.3
Other Scheduled Banks	194.5	235.1	89.6	-17.3	117.1
<b>Total</b>	<b>651.0</b>	<b>765.1</b>	<b>1009.3</b>	<b>-14.9</b>	<b>-35.5</b>

\* Total may differ due to rounding off.

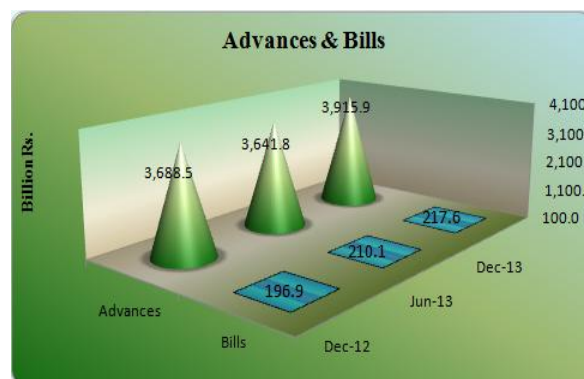
## Cash & Balances

Cash and balances of scheduled banks including balances held with the State Bank of Pakistan amounted to Rs. 808.0 billion at the end of the period under review as against Rs. 741.1 billion at end of previous half year and Rs. 736.3 billion at the end of the corresponding period of last year. Of these, balances held with State Bank of Pakistan increased by Rs. 0.4 billion and stood at Rs. 490.1 billion at end December 2013 compared with Rs. 489.7 billion at end June 2013.



## Loans

**Advances and Bills:** Loans (Advances + Bills) of all scheduled banks stood at Rs. 4,133.5 and increased by Rs. 281.7 billion (7.31 percent) at end December 2013 as compared to end June 2013. Loans increased by Rs. 248.1 billion (6.39 percent) when compared with end December 2012. Bills purchased & discounted show an increase of Rs. 7.52 billion over end June 2013. Increase of Rs. 274.1 billion in advances contributed to an overall increase in loans in end December 2013.



**Table 6: Advances and Bills**

(Billion Rs.)					
Source	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
Advances	3,915.9	3,641.8	3,688.5	7.5	6.2
Bills	217.6	210.1	196.9	3.6	10.5
<b>Total</b>	<b>4,133.5</b>	<b>3,851.8</b>	<b>3,885.4</b>	<b>7.3</b>	<b>6.4</b>

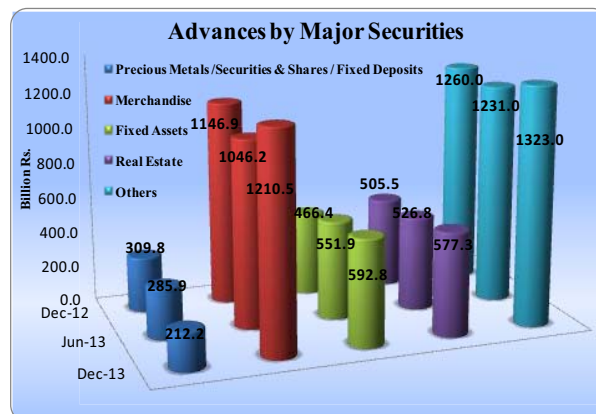
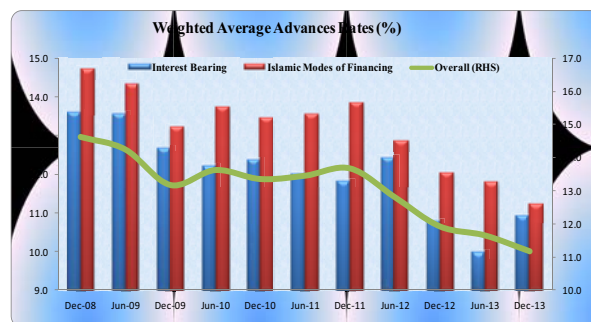
\* Total may differ due to rounding off.

### **Weighted Average Rate of Return:**

The weighted average rate of return on financing under Islamic modes and interest bearing modes at end December 2013 worked out to be 11.18 percent against 11.66 percent at end June 2013 and 11.93 percent at end December 2012.

### **Advances by Securities:**

Classification of scheduled banks' advances by securities (see **Table 7**) indicates that the residual group "Others" which includes 'Other secured advances' and 'Advances secured by institutional & individual guarantee(s)' accounted for Rs. 1323.0 billion (33.80 percent) of the total and increased by Rs. 92.0 billion when compared to June 2013. An amount of Rs. 1210.5 billion (30.91 percent) of the total was advanced against "Merchandise" which is increased by Rs. 164.3 billion when compared with previous half year. "Real Estate" accepted as security by banks against advances accounted for Rs. 577.3 billion at end December 2013 and increased by Rs. 50.5 billion when compared to end June 2013. "Fixed Assets Including Machinery" amounted to Rs. 592.8 billion (15.14 percent) which is increased by Rs. 40.9 billion when compared to June 2013.



**Table 7: Scheduled Banks' Advances by Major Securities and Their % Share**

(Billion Rs.)		
Type of Security	Dec-13	% Share
Gold, Bullion, Gold and Silver Ornaments, Precious Metals	74.7	1.9
Securities, Shares, and Other Financial Instruments	98.1	2.5
Merchandise	1210.5	30.9
Fixed Assets Including Machinery	592.8	15.1
Real Estate	577.3	14.7
Fixed Deposits and Insurance Policies	39.4	1.0
Others	1323.0	33.8
<b>Total</b>	<b>3915.9</b>	<b>100.0</b>

\* Total may differ due to rounding off.

**Advances by Borrowers:** Classification of advances by borrowers can be viewed in table given below showing the position as at end of December 2013 compared with previous period and the corresponding period of last year.

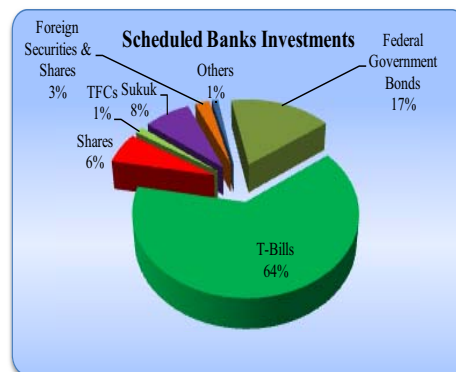
**Table 8: Scheduled Banks' Advances by Borrowers**

(Billion Rs.)					
Borrowers	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
Government	406.8	492.2	423.4	-17.4	-3.9
Non-financial Public Sector Enterprises	427.9	350.2	349.6	22.2	22.4
Non-bank Financial Companies	42.6	47.6	45.3	-10.5	-6.0
Private Sector (Business)	2683.8	2414.2	2540.0	11.2	5.7
Trust Funds & Non- Profit Institutions	14.0	17.0	18.0	-17.4	-22.0
Personal	323.8	305.8	295.2	5.9	9.7
Others	16.9	14.7	17.1	15.1	-1.0
<b>Total</b>	<b>3915.9</b>	<b>3641.7</b>	<b>3688.6</b>	<b>7.5</b>	<b>6.2</b>

\* Total may differ due to rounding off.

## Investments

Scheduled banks total investments (see **Table 9**) stood at Rs. 4,279.0 billion as on December 2013 forming 21.8 percent of their total assets. Investment depicts increase of Rs. 65.19 billion (1.55 percent) and Rs. 288.30 billion (7.22 percent) compared with previous and corresponding half years. The investments in treasury bills at Rs. 2,713.83 billion were 63.4 percent of the total investments. Whereas investment in Federal Government Bonds forming 17.38 percent of total investment, followed by Sukuk Bonds forming 7.94 percent of total investment, 'Others' forming 7.40 percent of the total investment, foreign securities and shares 2.45 percent and term finance certificate (TFC's) at 1.41 percent. Total investment under the 'Others' is Rs. 316.7 billion Which includes shares, Debentures, Mutual Funds, Modaraba Certificate, Participant Term Certificate, NIT, Certificate of Investment and Other Items.



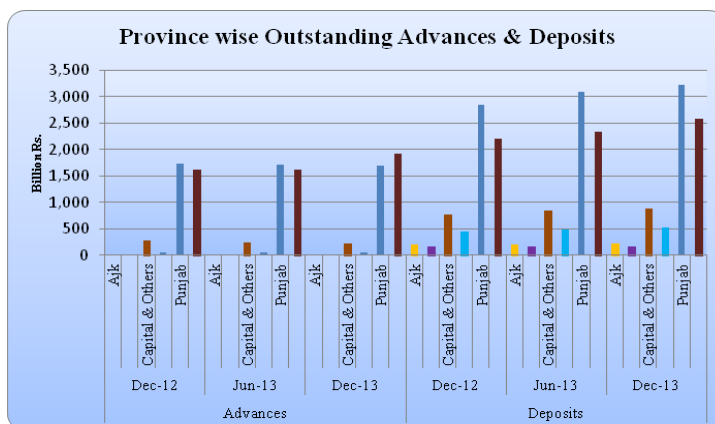
**Table 9: Scheduled Banks' Investments**

Securities / Shares	(Billion Rs.)				
	Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
Federal Government Bonds	743.5	720.9	622.7	3.1	19.4
Treasury Bills	2,713.8	2,604.3	2,519.7	4.2	7.7
Term Finance Certificate	60.3	63.1	70.2	-4.3	-14.0
Sukuk Bonds	339.9	433.0	393.4	-21.5	-13.6
Foreign Securities & Shares	104.8	103.0	91.6	1.7	14.4
Others	316.7	289.4	293.1	9.4	8.0
<b>Total</b>	<b>4,279.0</b>	<b>4,213.8</b>	<b>3,990.7</b>	<b>1.5</b>	<b>7.2</b>

\* Total may differ due to rounding off.

## Province/Region Wise Deposits and Advances

The position of Province/Region wise share of outstanding deposits and advances by banks as on 31<sup>st</sup> December 2013 for the current, previous and corresponding period is given on next page:



**Table 10: Province/Region Wise Share of Scheduled Banks Deposits and Advances**

(Percent per Annum)

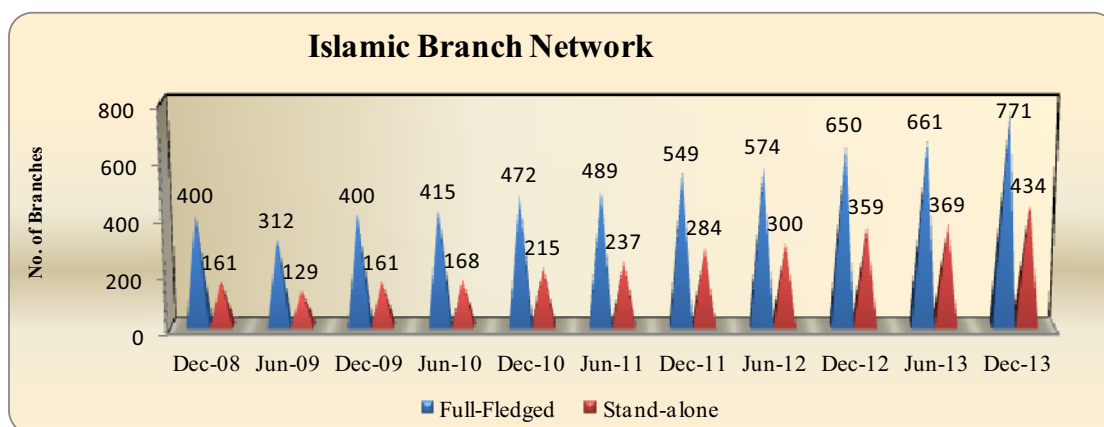
Province/Region	Jun-13		Jun-13		Dec-12	
	Deposits	Advances	Deposits	Advances	Deposits	Advances
<b>Punjab</b>	42.5	43.5	43.4	47.1	43.0	47.0
<b>Sindh</b>	34.2	49.0	32.8	44.4	33.2	43.7
<b>KPK</b>	6.8	1.2	6.9	1.2	6.8	1.3
<b>Balochistan</b>	2.1	0.3	2.2	0.3	2.3	0.3
<b>Capital-Islamabad</b>	11.1	5.7	11.4	6.6	11.3	7.4
<b>FATA</b>	0.2	0.0	0.2	0.0	0.2	0.0
<b>Gilgit-Baltistan</b>	0.3	0.1	0.3	0.0	0.2	0.0
<b>AJK</b>	2.9	0.2	2.9	0.3	2.9	0.3

A positive growth has been observed except FATA in all other regions/provinces in total outstanding deposits with banks as on 31<sup>st</sup> December 2013 when compared with end June-13. The maximum growth is shown in Gilgit-Baltistan (29.38%) followed by Sindh (10.74%), AJK (6.64%), KPK (5.01%), Punjab (3.98%), Federal Capital (3.54%) and Balochistan shows growth 1.29% percent. The overall total outstanding advances have positive growth of 7.53%. Similar positive growth trends have been witnessed in advances of Gilgit-

Province/Region	Growth Rate	
	Deposits	Advances
Punjab	3.98%	-0.83%
Sindh	10.74%	18.61%
KPK	5.01%	6.56%
Balochistan	1.29%	7.38%
Federal Capital	3.54%	-7.22%
FATA	-1.80%	16.78%
Gilgit-Baltistan	29.38%	42.21%
AJK	6.64%	3.66%

Baltistan, Sindh, FATA, Balochistan, KPK and AJK with growth rate of 42.21%, 18.61%, 16.78%, 7.38%, 6.56% and 3.66% respectively. While Punjab and Federal Capital have displayed a negative growth in total outstanding advances during the period under review.

**Islamic Banking:** As on 31<sup>st</sup> December 2013, there were 19 banks involved in Islamic banking with a network of 1,205 branches in the country. Of these, five are full-fledged Islamic banks with 771 branches and 14 of the existing Scheduled banks have 434 branches working as stand-alone ‘Islamic Banking Branches’ (see **Table 11**).



The activities of Islamic bank's branches have shown improvement at end December 2013 compared with end June 2013, in terms of outstanding amount for deposits increased by Rs. 73.4 billion. Whereas, number of accounts (see Table 12), which have been increased by 178,818. Financing shows increase in number of accounts by 1,568 and an increase in amount of Rs. 41.9 billion when compared with previous half year. Investments at book-value decreased by Rs. 31.8 billion at the end of half-year under review compared with previous half-year.



**Table 11: Summary of Islamic Banking Network****(Numbers)**

Name of Banks	Dec-13	Jun-13	Dec-12
<b>A. Full-fledged Islamic Scheduled Banks</b>	<b>771</b>	<b>661</b>	<b>650</b>
1. Al Baraka Bank (Pakistan) Ltd.	108	92	90
2. Bankislami Pakistan Ltd.	112	84	83
3. Burj Bank Ltd.	75	67	67
4. Dubai Islamic Bank Ltd.	125	100	100
5. Meezan Bank Ltd.	351	318	310
<b>B. Stand-alone Islamic Branches of Existing Scheduled Banks</b>	<b>434</b>	<b>369</b>	<b>359</b>
1. Askari Bank Ltd.	38	32	32
2. Bank Alfalah Ltd.	140	110	110
3. Bank Al Habib Ltd.	17	15	13
4. Habib Bank Ltd.	37	33	33
5. Habib Metropolitan Bank Ltd.	6	4	4
6. MCB Bank Ltd	27	27	27
7. National Bank of Pakistan	15	6	6
8. SilkBank Ltd.	10	10	7
9. Soneri Bank Ltd	7	6	6
10. Standard Chartered Bank (Pakistan) Ltd	10	10	14
11. The Bank of Khyber	45	37	36
12. The Bank of Punjab	7	5	-
13. United Bank Ltd.	22	22	19
14. Faysal Bank Ltd	53	52	52
<b>Total</b>	<b>1,205</b>	<b>1,030</b>	<b>1009</b>

**Table 12: Deposits, Financing and Investments of Islamic Banks on Gross Basis****(Billion Rs.)**

Items		Dec-13	Jun-13	Dec-12	HY Growth%	YOY Growth%
Deposits	No. of Accounts	2,168,997	1,990,179	1,857,612	8.99	16.76
	Amount	824.2	750.8	682.6	9.78	20.74
Financing*	No. of Accounts	51,188	49,620	46,294	3.16	10.57
	Amount	307.9	266.0	241.7	15.75	27.41
Investment	Book-value	358.2	390.0	353.5	-8.17	1.32

\*Includes advances &amp; bills

**Table 13: Key Statistics of Scheduled Banks at a Glance**

(Billion Rs.)			
Item	Dec-13	Jun-13	Dec-12
<b>Number of All Banks</b>	<b>38</b>	<b>38</b>	<b>38</b>
Public Sector Commercial Banks	5	5	5
Domestic Private Banks	22	22	22
Foreign Banks	7	7	7
Specialized Banks	4	4	4
<b>Number of (Reporting) Branches</b>	<b>10,940</b>	<b>10,361</b>	<b>10,295</b>
<b>Total Liabilities/Assets</b>	<b>19,674.0</b>	<b>16,086.1</b>	<b>16,028.2</b>
<b>Cash</b>	<b>808.0</b>	<b>741.1</b>	<b>736.3</b>
<b>Total Deposits (Excluding Inter-bank)</b>	<b>7,583.0</b>	<b>7,134.4</b>	<b>6,632.6</b>
Demand	2,384.8	2,250.2	2,002.9
Savings	3,136.2	2,930.7	2,659.6
Time	2,062.1	1,953.5	1,970.1
<b>Number of Accounts of Deposit Holders</b>	<b>37,265,106</b>	<b>35,147,901</b>	<b>33,562,227</b>
<b>Average Deposits per Account (Thousand Rs.)</b>	<b>203.5</b>	<b>203.0</b>	<b>197.6</b>
<b>Total Advances (Excluding Inter-bank)</b>	<b>3,915.9</b>	<b>3,641.8</b>	<b>3,688.5</b>
<b>Number of Accounts of Borrowers</b>	<b>3,268,385</b>	<b>3,283,316</b>	<b>3,337,881</b>
<b>Average Advances per Account (Thousand Rs)</b>	<b>1198.1</b>	<b>1109.2</b>	<b>1105.1</b>
<b>Bills Purchased and Discounted</b>	<b>217.6</b>	<b>210.1</b>	<b>196.9</b>
<b>Investments in Securities &amp; Shares</b>	<b>4279.0</b>	<b>4213.7</b>	<b>3990.8</b>
<b>Bank Loan (Advances + Bills)</b>	<b>4133.5</b>	<b>3851.8</b>	<b>3885.4</b>
<b>Ratio of:</b>			
Deposits to Total Liabilities	38.54%	44.35%	41.38%
Cash to Deposits	10.65%	10.39%	11.10%
Advances to Total Assets	19.90%	22.64%	23.01%
Time Deposits to Total Deposits	27.19%	27.38%	29.70%
Advances to Deposits	51.64%	51.05%	55.61%
Investments to Deposits	56.43%	59.06%	60.17%
Bank Loan to Deposits	54.51%	53.99%	58.58%
(Loan + Investments) to Deposits	110.94%	113.05%	118.75%
<b>Weighted Average:</b>			
Deposits Rates (Excluding Zero Rate)			
• Overall	6.64%	6.28%	6.45%
• Interest Bearing	0.58%	0.39%	0.55%
• Profit & Loss Sharing	7.18%	6.73%	6.92%
Advances Rates	11.18%	11.66%	11.93%

**Table 14: Distribution of Deposits, Advances, Bills Purchased & Discounted and Investments of Scheduled Banks by Group**

(Billion Rs.)

Group	Deposits		Advances		Bills		Investments	
	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13
<b>All Banks</b>	<b>7,583.0</b>	<b>7,134.4</b>	<b>3,915.9</b>	<b>3,641.8</b>	<b>217.6</b>	<b>210.1</b>	<b>4,279.0</b>	<b>4,213.7</b>
1. Public Sector Commercial Banks	1,324.3	1,353.6	882.7	863.2	14.9	17.5	630.7	581.9
2. Domestic Private Banks	6,086.8	5,638.2	2,853.9	2,604.0	194.6	187.0	3,497.6	3,491.7
3. Foreign Banks	148.9	124.4	53.6	52.4	8.2	5.5	121.3	113.5
4. Specialized Banks	23.0	18.2	125.7	122.2	0.0	0.0	29.4	26.6
<b>Commercial Banks (1+2+3)</b>	<b>7,560.0</b>	<b>7,116.2</b>	<b>3,790.2</b>	<b>3,519.6</b>	<b>217.6</b>	<b>210.1</b>	<b>4,249.6</b>	<b>4,187.1</b>

\* Total may differ due to rounding off.

**Table 15: Distribution of Type of Deposits of Scheduled Banks by Group**

(Billion Rs.)

Group	Demand		Savings		Term	
	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13
<b>All Banks</b>	<b>2,384.8</b>	<b>2,250.2</b>	<b>3,136.2</b>	<b>2,930.7</b>	<b>2,062.1</b>	<b>1,953.5</b>
1. Public Sector Commercial Banks	337.2	338.8	560.5	546.8	426.6	468.0
2. Domestic Private Banks	1,993.1	1,862.3	2,514.5	2,339.3	1,579.1	1,436.6
3. Foreign Banks	44.0	39.7	51.1	37.5	53.8	47.2
4. Specialized Banks	10.5	9.4	10.0	7.1	2.5	1.7
<b>Commercial Banks (1+2+3)</b>	<b>2,374.3</b>	<b>2,240.8</b>	<b>3,126.1</b>	<b>2,923.6</b>	<b>2,059.6</b>	<b>1,951.8</b>

\* Total may not match due to rounding

**Table 16: Maturity Breakup of Term Deposits of Scheduled Banks by Group**

Period of Maturity	(Billion Rs.)									
	All Banks		Public Sector Commercial Banks		Domestic Private Banks		Foreign Banks		Specialized Banks	
	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13	Dec-13	Jun-13
For Less Than 3 Months	521.9	472.0	34.2	55.9	446.9	388.5	40.6	27.5	0.1	0.1
For 3 Months and Over but Less Than 6 Months	379.6	320.3	78.6	109.8	295.9	201.0	4.8	9.2	0.3	0.3
For 6 Months and Over but Less Than 1 Years.	217.6	209.5	46.5	48.3	167.4	156.5	3.3	4.2	0.4	0.5
For 1 Year and Over but Less Than 2 Years.	647.0	667.0	216.6	212.5	424.0	447.5	5.2	6.3	1.2	0.7
For 2 Years and Over but Less Than 3 Years.	27.6	26.5	3.3	3.3	24.3	23.2	0.0	0.0	0.1	0.1
For 3 Years and Over but Less Than 4 Years.	102.4	97.3	10.7	10.4	91.6	86.9	-	0.0	0.0	0.0
For 4 Years and Over but Less Than 5 Years.	8.1	7.0	1.5	1.3	6.5	5.7	-	-	0.1	0.0
For 5 Years and Over	157.9	154.0	35.2	26.6	122.6	127.2	-	0.0	0.2	0.2
<b>Total</b>	<b>2,062.1</b>	<b>1,953.5</b>	<b>426.6</b>	<b>468.0</b>	<b>1,579.1</b>	<b>1,436.6</b>	<b>53.8</b>	<b>47.2</b>	<b>2.5</b>	<b>1.7</b>

\* Total may differ due to rounding off

**Table 17: Advances by Modes of Financing**

(Billion Rs.)

Modes of Financing	Dec-13		Jun-13		Dec-12	
	No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount
<b>I. Interest Based</b>	<b>304,394</b>	<b>325.2</b>	<b>257,387</b>	<b>238.6</b>	<b>314,087</b>	<b>254.7</b>
<b>II. Islamic Modes</b>	<b>2,963,991</b>	<b>3,590.6</b>	<b>3,025,929</b>	<b>3,403.2</b>	<b>3,023,794</b>	<b>3,433.8</b>
a) Mark-Up in Price on Deferred Payment Basis	2,278,406	2,774.8	2,303,143	2,653.0	2,310,235	2,751.2
b) Rent-Sharing	103	0.1	490	0.6	502	0.7
c) Qarz-e-Hasna	18,687	0.4	18,712	0.3	19,357	0.4
d) Musharaka or Profit and Loss	1,698	38.0	1,535	26.4	2,375	30.6
e) Leasing	43,234	44.8	45,793	40.7	39,162	31.5
f) Hire Purchase	15,681	10.8	1,117	2.5	847	1.0
g) Buy Back	165,908	231.2	165,386	205.3	170,826	153.8
h) Mark Down in Prices	181	0.0	210	0.1	219	0.1
i) Service Charges	157,207	4.4	209,164	4.4	210,208	4.5
j) Concessional Service Charges	164	14.2	2	0.0	170	13.9
k) Other Islamic Modes	282,722	471.9	280,377	469.9	269,893	446.2
<b>Total (I+II)</b>	<b>3,268,385</b>	<b>3,915.9</b>	<b>3,283,316</b>	<b>3,641.8</b>	<b>3,337,881</b>	<b>3,688.5</b>

\* Total may differ due to rounding off

**Table 18: Province/Region Wise Deposits and Advances**

(Billion Rs.)

Provinces / Regions	Dec-13		Jun-13		Dec-13	
	Deposits	Advances	Deposits	Advances	Deposits	Advances
<b>Overall</b>	<b>7,583.0</b>	<b>3,915.9</b>	<b>7,134.4</b>	<b>3,641.8</b>	<b>6,632.6</b>	<b>3,688.5</b>
Punjab	3,222.0	1,701.5	3,098.8	1,715.7	2,850.0	1,732.9
Sindh	2,589.8	1,917.5	2,338.7	1,616.7	2,204.2	1,612.9
KPK	518.2	48.5	493.5	45.5	451.0	47.2
Balochistan	156.9	11.7	154.9	10.9	154.3	11.5
Capital	839.8	224.4	811.1	241.9	747.1	271.5
FATA	14.4	0.6	14.7	0.5	13.9	0.6
Gilgit - Baltistan	24.7	2.0	19.1	1.4	16.8	1.3
AJK	217.1	9.6	203.6	9.3	195.3	10.7