

<i>Contents</i>	<i>Page No.</i>
<b>1 Overview</b>	<b>1</b>
1.1 Executive Summary	3
1.2 Economic Outlook	8
<b>2 Real Sector</b>	<b>11</b>
2.1 Overview	11
2.2 Agriculture	12
2.3 Industry	20
2.4 Services	27
<b>3 Inflation and Monetary Policy</b>	<b>33</b>
3.1 Overview	33
3.2 SBP's Liquidity Management	36
3.3 Monetary Aggregates	37
3.4 Credit to Private Sector	40
3.5 Inflation	43
<b>4 Fiscal Policy and Public Debt</b>	<b>49</b>
4.1 Overview	49
4.2 Revenue	51
4.3 Expenditure	54
4.4 Provincial Fiscal Operations	56
4.5 Public Debt	59
<b>5 External Sector</b>	<b>65</b>
5.1 Overview	65
5.2 Current Account	67
5.3 Financial Account	69
5.4 Exchange Rate	72
5.5 Trade Account	73
<b>6 Special Section 1: Why are Power Tariffs in Pakistan Consistently High?</b>	<b>87</b>
<b>7 Special Section 2: The State of Food Security in Pakistan</b>	<b>99</b>
<b>Annexure: Data explanatory notes</b>	<b>109</b>
<b>Acronyms</b>	<b>113</b>

**Box Items**

Box 2.1: Punjab Crop Insurance Program – Pilot Project Features and Lessons Learned	17
Box 2.2: Logistics Performance Index Identifies Room for Improvement	29