The Overview

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The financial sector of Pakistan continued to navigate smoothly through a challenging macroeconomic environment in 2023, complicated by the post pandemic spike in global inflation and idiosyncratic factors like flash flooding, internal and external imbalances, and structural issues that necessitated stabilization measures and reforms. The asset base of the financial sector expanded by 27.0 percent in CY23 as compared to 18.6 percent growth in previous year. Accordingly, financial depth—in terms of assets to GDP ratio—inched up to 65.5 percent during the reviewed year (**Table 1**).

The global economy, despite continued interest rate hikes to address higher inflation, has been resilient as evident from the soft landing against recession concerns earlier. The global output grew by 3.2 percent in CY23 (3.5 percent in CY22) while global headline inflation fell to 6.8 percent in the year under review from 8.7 percent a year earlier.[1] However, major central banks (e.g., Federal Reserve, ECB, and BoE) maintained a cautious monetary policy stance during CY23 to contain the risks of inflation. Nonetheless, global financial conditions eased since April 2023 in the wake of optimism about economic prospects amidst continued disinflation and consequent expectations of reversal in policy rates in advanced economies (AEs) as equity valuations also rose.[2] Although banking turmoil in the US and Switzerland created global financial stability concerns momentarily, the timely interventions from authorities helped global financial markets weather the stress.

On domestic front, lagged impact of supply shocks, resultant high inflation and effects of stabilization policies that were compounded by chronic structural issues,[3] kept the economy under stress, particularly in earlier part of the year. As a result, real GDP *contracted* by 0.1 percent in CY23 compared to 4.6 percent growth in CY22.[4]

Assets Composition of the Financial Sector — Table 1

	CY21	CY22	CY23
Assets - billion Rupees			
MFBs	582	753	771
DFIs	539	1,431	2,338
NBFIs	2,023	2,563	3,447
Insurance	2,147	2,580	2,949
CDNS	3,884	3,390	3,179
Banks	30,058	35,796	46,364
Total	**39,234**	**46,513**	**59,048**
YoY Growth in Assets (percent)			
MFBs	17.8	29.4	2.4
DFIs	22.6	165.7	63.3
NBFIs	19.0	26.7	34.5
Insurance	10.7	20.2	14.3
CDNS	-8.5	-12.7	-6.2
Banks	19.6	19.1	29.5
Overall Financial Sector	**15.6**	**18.6**	**27.0**
Percent Share in Total Assets			
MFBs	1.5	1.6	1.3
DFIs	1.4	3.1	4.0
NBFIs	5.2	5.5	5.8
Insurance	5.5	5.5	5.0
CDNS	9.9	7.3	5.4
Banks	76.6	77.0	78.5
Assets as a Percent of GDP			
MFBs	1.0	1.1	0.9
DFIs	0.9	2.0	2.6
NBFIs	3.6	3.6	3.8
Insurance	3.8	3.6	3.3
CDNS	6.8	4.7	3.5
Banks	52.9	50.1	51.5
Overall Assets	**69.0**	**65.2**	**65.5**

Sources: SBP, SECP, CDNS & PBS

Macro-financial conditions in fact presented a mixed picture during CY23; facing a deterioration in H1CY23, the conditions started to show signs of some improvements in latter half of the year. Price pressures continued in the first half as average CPI increased by 33.0 percent, prompting SBP to further raise policy

[1] IMF (2024). World Economic Outlook. April.

[2] IMF (2023). Global Financial Stability Report. October

[3] Key structural issues include, inter-alia, low levels of private savings and investment, tax to GDP ratio, productivity growth, exports competitiveness, and global investment flows, and policy uncertainty.

[4] Industry and Services sectors output *contracted* by 4.7 percent and 0.6 percent, respectively, while agriculture output grew by 5.1 percent in CY23.

rate by 600 basis points (bps) in H1CY23. Delay in completion of 9th review under IMF's EFF, weak external financing inflows and external debt repayments pressures kept SBP's FX reserves under stress. Resultantly, local currency depreciated by 20.8 percent against the USD in the first half of CY23. Tight macro-financial conditions and high economic policy uncertainty in turn dampened business confidence[5] and economic activity.[6] In this backdrop, Moody's and Fitch downgraded Pakistan's credit rating during February 2023.

Additionally, high global interest rates and elevated country risk premium proved to be a major barrier to tapping international markets during H1CY23 for meeting external financing needs.

The second half of CY23, however, witnessed moderation in economic stress owing to a number of favorable developments. For instance, securing a nine-month **SBA** with the IMF in July 2023 helped address immediate external sector stability concerns.[7] Also, economic growth started to recover, mainly driven by strong agriculture output. Moreover, administrative and regulatory measures against speculative activity in the FX and commodity markets beefed-up market sentiments. These developments were manifested in receding economic policy uncertainty and improving Business Confidence Index (**BCI**) (**see Chapter 1**).[8]

Domestic financial markets experienced elevated volatility during CY23, mostly driven by the FX and equity markets. Despite material improvement in current account balance, domestic currency remained under strain amid debt repayments pressures and contained financial inflows. Nonetheless, administrative and regulatory measures in the FX market and IMF-SBA program helped contain volatility during H2CY23. Equity market—after witnessing subdued performance in first half—surged in second half of the year. Exchange rate stability, expectations of softening in monetary policy stance as reflected in secondary market yield curve, and moderation in political uncertainty primarily lifted investor confidence. Money market continued to operate smoothly as a rebound in deposits and OMOs injections kept volatility in money market low (**see Chapter 2)**.

The **banking sector,** which contributes a lion's share of 79 percent in total assets of the financial sector, remained resilient with adequate capital and maintained a strong growth trajectory during CY23. The asset base expanded by 29.5 percent—highest in two decades. The growth in assets was primarily driven by investments in government securities, reflecting an increased reliance of the government on banking sector to finance fiscal deficit. Banks' exposure to government reached 60.6 percent of the asset base in December 2023. In the wake of tight macro-financial conditions, overall growth in advances decelerated to 3.0 percent (16.8 percent in CY22). Within overall advances, domestic private sector advances witnessed a contraction of 2.4 percent in CY23 as compared to 16.4 percent growth in CY22. The expansion of balance sheet footing was mainly funded by deposits, which grew at a 20-year high rate of 24.2 percent due to, inter alia, high rate of return. The reliance on borrowing from financial institutions also remained high.

The credit risk profile of the banking sector did not present serious concerns in the reviewed year due to low level of delinquencies and adequate provisioning coverage against non-performing loans (NPLs). Baseline indicators i.e., NPLs to loans ratio marginally increased to 7.6 percent by end December 23 from 7.3 percent in CY22, reflecting mainly the moderation in growth of banks' advances. Nonetheless, with provisions to NPLs ratio at 92.7 percent, the

[5] Business Confidence Index (BCI) declined to 36.5 in April 2023, lowest since its inception in 2017
[6] Large Scale Manufacturing (LSM) index showed average contraction of 17.3 percent in H1CY23.
[7] Monetary Policy Statement, July 2023, State Bank of Pakistan
[8] BCI increased to 53.0 in December 2023. It entered in positive zone after remaining in negative territory for 14 consecutive waves

residual risks to solvency remained muted. It deserves an emphasis that the composition of banks' lending portfolio reflects a conservative approach in terms of credit worthiness of borrowers. Particularly, a major part of the loan portfolio comprises financing to borrowers who generally have better credit worthiness and established business track record, i.e., around 65 percent of corporate credit portfolio consists of firms rated by independent credit rating agencies.

As regards market risk, banks' exposure to movements in currency and equity prices remained contained due to a prudent regulatory regime as well as conservative approach on the part of banks. However, interest rate risk has emerged as an important market risk factor due to two reasons: one, historic levels of monetary policy tightening; two, investment of more than 50 percent of banks' assets in government securities, which are subject to mark-to-market revaluation. Encouragingly though, banks have displayed resilience to the revaluation losses resulting from a rise in interest rate in CY23. Moreover, banks—in order to mitigate interest rate risk -- have been increasing share of floating rate PIBs in their investment portfolio.[9]

With further deployment of funds in government securities, banking sector was able to maintain adequate liquidity cushions during CY23. This was evident by sector's compliance with Basel-III liquidity standards such as Liquidity Coverage Ratio (**LCR**) and Net Stable Funding Ratio (**NSFR**) by ample margins.

Earnings of the banking sector witnessed significant growth, mainly backed by high interest rates and expansion in earning assets. After-tax Return on Assets (ROA) rose to 1.6 percent (1.0 percent in CY22), and after-tax Return on Equity (ROE) increased to 27.1 percent (16.9 percent in CY22). The tax expense as percentage of pre-tax profit of the banks has, however, been increasing over time: 33.7 percent in 2014 to 43.9 percent in 2019 and 50.1 percent in 2023. This rising charge tends to, inter alia, reduce sector's ability to generate further capital buffers for unforeseen shocks as well as for investments in technology.

The solvency indicators of the banking sector, such as Capital Adequacy Ratio (**CAR**), ticked in at 19.7 percent in CY23 – well above the minimum regulatory requirement of 11.5 percent. Higher earnings, revaluation gains (in Q4CY24) and slow growth in risk-weighted assets contributed to the improvement in CAR. In the wake of rising overall exposure of banks on public sector, the leverage ratio (**LR**) declined to 4.0 percent at end CY23 from 5.1 percent in CY18, but it still remains above the regulatory benchmark of 3 percent. However, the steadily increasing public sector exposure on banks' balance sheet bears implications for the effectiveness of intermediation process and productive capacity of the economy by leaving less of the surplus savings for the private sector credit **(see Chapter 3).**

Islamic Banking Institutions (IBIs) continued to maintain their growth momentum as well as sound financial position during CY23. Asset base expanded by 24.4 percent (29.6 percent in CY22), chiefly on the back of investments while growth in financing decelerated to 7.1 percent in CY23 (19.9 percent in CY22). In the backdrop of a robust deposit growth of 30.8 percent and deceleration in financing, IBIs borrowings declined. Asset quality indicators were within comfortable levels. With strong earnings, IBIs contributed over one third in the overall banking sector's after-tax profits. Solvency position further improved indicating enhanced resilience of IBIs **(see Box 3.1 in Chapter 3).**

The **Microfinance banks (MFBs)** have been facing challenges for past few years now. The legacy of pandemic shock, catastrophic flooding of CY22 and recent unfavorable macroeconomic conditions continued to keep MFBs under

[9] The combined share of floating rate portfolio in their government securities in available for sale (AFS) and held-for-trading (HFT) categories increased to 63.9 percent by end of December 2023 from around 58.3 percent as at end December 2022.

pressure. In CY23, sector's expansion was the lowest whereas NPL ratio remained stable at 6.7 percent. However, provisioning coverage increased to 102.3 percent from 78.7 percent in CY22.[10]

The sector continued to witness losses for the fifth consecutive year, though the magnitude of losses was lower in CY23. Aggregate CAR of the sector dropped further to 7.6 percent in CY23 from 10.9 percent in CY22 – against the regulatory requirement of 15 percent. The sector, contributing only 1.3 percent in the financial sector, poses no systemic risk; nonetheless, it is playing an important role in financial inclusion by catering to low-income segment of the society. Accordingly, SBP continued its enhanced supervisory focus on the sector. As the sector was severely hit by heavy floods of 2022, several schemes were also introduced to contain the impact of shock on farmers as well as MFBs **(see Chapter 5)**.

Non-Bank Financial Sector showed healthy performance during CY23. **Development Finance Institutions (DFIs)** managed to grow at a robust pace of 63.5 percent in CY23. The balance sheet expansion was almost entirely driven by the investments in government securities while advances increased slightly. The uptick in assets was funded through borrowing. Asset quality indicators also manifested limited concern. Also after-tax earnings rose by 43.4 percent, whereas solvency position further improved during CY23. DFIs that are mainly focusing on money market activities and investments due to a number of constraints on long-term financing and allied products, may need to focus on developing and enhancing their investment banking capabilities and making concerted efforts to increase sustainable long-term financing for capital formation in the economy (**see Chapter 6.1).**

The asset base of **NBFIs** surged by 34.5 percent against 26.7 percent expansion in previous year. Mutual funds, having 64.7 percent share in NBFI assets, primarily drove-up the growth. Money market and income funds (both conventional and Islamic) mainly contributed in funds' growth while contribution from equity market funds remained marginal. On the contrary, the lending segment, which holds 10.4 percent share in total assets, expanded by only 2.4 percent (21.6 percent growth in CY22), reflecting the impact of high interest rates and subdued economic activity (**see Chapter 6.2**).

The **Insurance sector** witnessed growth in assets and gross premium, despite slowdown in economic activity. The sector is dominated by life insurance, which registered a growth of 19.5 percent in terms of assets, mainly due to investment in fixed income securities in the context of high interest rate environment. The non-life sector also posted an uptick on the back of healthy growth in premiums in the fire and property damage and motor segments (**see Chapter 6.2**).

The Financial Market Infrastructures (FMIs) manifested robust performance and steady operational resilience during CY23. Retail transactions increased at a significant pace both in value and volume terms. *e*-banking—with a share of 86 percent and 43 percent, respectively, in volume and value —continued to drive growth in retail payments. The volume of paper based transactions, however, moderated. The large value payment segment has also witnessed a robust growth. Nonetheless, cyber security risk has become critical with the growing role of *e*-banking. In this regard, SBP has rolled out a detailed set of guidelines to enhance security of digital banking products and services.

Raast continued its functioning without any major interruption throughout the year. Importantly, SBP moved to implement the third phase of Raast, viz., person-to-merchant (P2M) mode, to facilitate digital payment acceptance for merchants and businesses. In addition, ATM

[10] Provision increased mainly in 'General Provisions' category, reflecting implementation of IFRS 9 and prudence amid economic slowdown.

downtime reduced to a five-year low of 3.6 percent in CY23 (**see Chapter 8**).

The **Non-Financial Corporate Sector** exhibited resilience in its operational and financial performance, even in the face of a challenging economic environment that was marked by high inflation, contractionary economic policies, depressed demand and high finance cost during CY23.[11] The firms with surplus liquidity and equity investment in particular benefited from dividend and mark-up income. The impact of unfavorable macroeconomic environment was visible on sales of certain sectors such as automobile and fuel & energy, while other sectors (e.g., textile, cements, sugar, and chemicals & pharmaceutical) posted decent growth in sales.

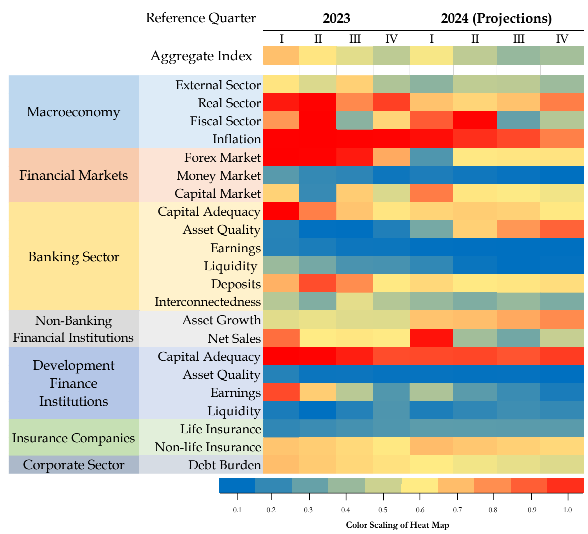
Profitability and repayment capacity of the highly-leveraged segments came under some stress, however, solvency indicators, repayment capacity and behavior of the overall corporate sector remained satisfactory. Besides, analysis of top 30 borrowing groups of the banking sector indicates that although stressed economic conditions put pressures on their operating results, top borrowing firms continued to maintain adequate credit worthiness and satisfactorily served their financial obligations during the year under review **(see Chapter 7 and Box 7.1).**

The **consolidated picture** of the state of financial stability, captured via Financial Sector Vulnerability Index (**FSVI**), reveals that risks—after growing in Q1CY23—subsided afterwards (**see Figure 1A and 1B**). Several factors contributed in reducing the magnitude of vulnerabilities. These included the finalization of SBA program from IMF, administrative and regulatory measures in FX and commodity markets, keeping policy rate unchanged at 22 percent since July 2023, announcement of general elections, and strong agriculture output.

Financial Sector Vulnerability Index (FSVI) Figure 1A

Source: SBP Staff Estimates

Financial Sector Heat Map Figure 1B



Source: SBP Staff Estimates

Risks to financial stability are expected to abate down the road. On global front, trend in international commodity prices has generally remained favorable. Nonetheless, risks to the commodity price outlook remain material, emanating from developments in the Middle East conflict, including shipping disruptions in the Red Sea. A sudden escalation in the conflict could potentially push-up the commodity prices, leading to challenges for the external sector of the economy and domestic inflation.

[11] Analysis is based on the set of financial and market price data of large 100 listed firms that has been used as proxy for the performance of overall corporate sector.

On domestic front, macroeconomic stress continues to moderate. National-CPI inflation has declined to 12.6 percent (YoY) in June 2024 from 29.7 percent in December 2023. Moreover, manufacturing activity, proxied by LSM index, manifested marginal growth of 0.4 percent during Jul-Apr FY24 against a 8.8 percent *contraction* in the corresponding period of previous year. Narrowing trade deficit continues to keep current account balance concerns under check. SBP's FX reserves have stabilized at USD 8.5 billion[12] and local currency remains largely stable against the US dollar. With ebbing policy uncertainty, business confidence index is in positive zone since December 2023. This is also manifested in historically high level of KSE-100 index during June 2024.[13]

The information gleaned from the market participants in January 2024 through SBP Systemic Risk Survey (**SRS**) also suggests declining macroeconomic risks (e.g., exchange rate risk, inflation, and fiscal deficit) in next six months. (**see Box 1 on SBP's Systemic Risk Survey**).

Besides, a peaceful political transition and successful staff-level agreement on the second and final review of the 9-month SBA by end April 2024 are welcome developments and suggest an improving outlook.

Despite nascent signs of macroeconomic stability, downside risks to financial stability may resurface. Inflation, though receding, still remains elevated and is susceptible to upside risks emanating from budgetary measures and potential adjustments in energy prices.[14] Also, a policy rate remaining higher-for-longer may have ramifications for the private sector credit demand, asset quality of the banks, especially of MFBs, and economic recovery. Particularly, delay in negotiating a new IMF loan program may induce external funding risks, creating concern for financial stability. In addition, political stability remains crucial in underpinning a resilient economic recovery.

The banking sector, in the face of such macro-financial risks, is expected to sail smoothly owing to robust risk management capabilities, sufficient capital and liquidity buffers built over the years under SBP's prudent regulatory regime. This view is supported by latest stress test results which suggest that the banking sector has adequate resilience to withstand the severe but plausible macro-financial shocks, as its capital adequacy ratio remains significantly higher than both domestic and global benchmarks of capital adequacy in the medium term (**see Chapter 4**).

Given the rising frequency of climate related events in Pakistan and their likely impact on the banking sector, SBP has been incorporating the impacts of climate -related risks in its annual macro stress testing exercise. In this regard, this year's FSR includes a 'Climate Risk Scenario Analysis' to assess the potential impacts of both physical and transition risks for the stability of banking sector of Pakistan (**see Box 4.1**).

With contained exposure in SMEs and consumer segments as well as a conservative lending approach towards corporate borrowers, banks are less likely to experience significant strain on asset quality and earnings. Encouragingly, banks' earnings are likely to remain healthy, supported by interest income from lending to corporate sector and government coupled with non-interest income that may also be augmented by increase in economic activity.

Keeping in view the rapidly evolving dynamics of risks to financial stability, SBP continued to proactively strengthen its regulatory and supervisory regime. In CY23, SBP conducted one Crisis Simulation Exercise (**CSE**)—with the collaboration of the World Bank —to test its preparedness to deal with financial crisis. SBP also developed a Supervisory Assessment

[12] The average of Jan-May CY24
[13] KSE-100 index surged to 78,810 on June 21, 2024
[14] Monetary Policy Statement, June 2024, State Bank of Pakistan.

Manual (**SAM**) with respect to implementation of IFRS-9. Another critical policy initiative by SBP has been to introduce structural reforms in the Exchange Companies (**ECs**) sector to improve the quality of governance, internal controls and compliance with laws and regulations.

In pursuance of Federal Shariat Court's judgement on Riba, SBP in collaboration with federal government and other stakeholders is actively working for the implementation of the judgment. In this regard, a multi-pronged approach under the guidance of a high-level Committee for Transformation has been adopted. This includes review of existing domestic laws and comparison with international best practices, assessment of existing regulatory framework, awareness sessions for Islamic banking and finance, and capacity building of stakeholders.[15]

Furthermore, SBP took several measures pertaining to digital financial services, financial inclusion, consumer protection and Anti-Money Laundering and Combating the Financing of Terrorism (**AML/ CFT**) during the reviewed year (**see Appendix A**).

Going forward, overall risks to financial stability appear to be manageable due to moderating macroeconomic stress, banking sector's buffers and risk management capabilities as well as SBP's continued supervisory and regulatory vigilance. However, policy continuity on structural reforms remains critical for a sustained improvement in country's macroeconomic fundamentals and resilience of the financial sector to withstand adverse shocks.

Box 1: SBP's Systemic Risk Survey – 13th Wave (January 2024)

SBP conducted the 13th wave of its biannual Systemic Risk Survey (SRS) in January 2024. The survey aims to capture the perceptions of market participants about various risks and their confidence in the stability of financial system. The survey is designed to gauge the present and near term (over the next six months) perceptions of the respondents across five broad categories, including, global, macroeconomic, financial markets, institutional, and general.

The respondents of the current edition of the SRS covered a broad spectrum of stakeholders, including senior executives of financial institutions, financial journalist, and others. In all, ninety-two respondents took part in the current wave as compared to ninety-eight in July 2023 wave, with a response rate of 44 percent.

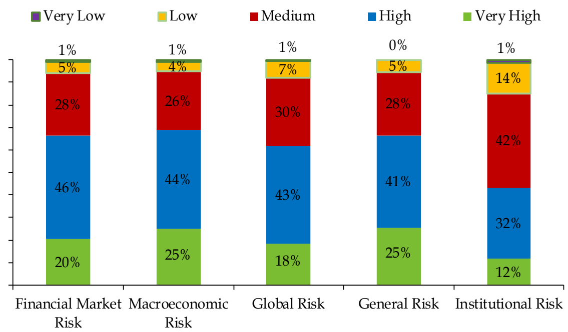
Summary of Results:

1. The responses reveal that the respondents, on aggregate, perceive vulnerabilities sourced from "*Financial Market*", "*Macroeconomic*", and "*Global*" as the major risks to the financial system (**Figure A**). Over the period of next six months, risk perceptions regarding these categories are expected to remain high (**Figure B**).
2. In terms of key risks at present, top five risks (in decreasing order) are those coming from "*Foreign Exchange*", "*Domestic Inflation*", "*Widening Fiscal Deficit*", "*Deterioration in Household Income*" and "*Energy Crises*". Over the next six months, risk perceptions regarding these categories are expected to ease in general (**Figure C**).
3. Regarding the stability of the financial system of Pakistan, the respondents seem to repose confidence in the system. However, the majority of the respondents demonstrated strong confidence on the stability of the banking system. Moreover, the participants of the survey also showed confidence on the ability of regulators to ensure the stability of the financial system (**Figure D**).
4. Comparison among the last three waves (11th, 12th, and 13th wave) indicates that the risk perception has improved across the majority of the risk categories. A significant improvement in risk perception was seen in

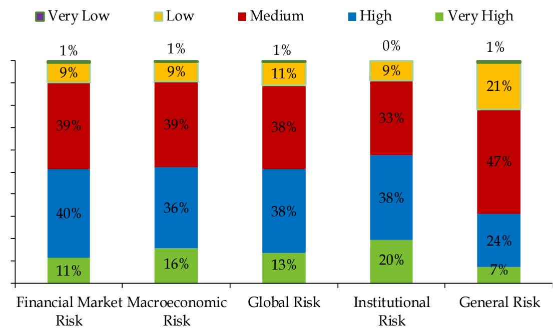
[15] For details see Box 3.2: SBP's Strategy to transform the banking sector to Islamic mode – key challenges and opportunities in FSR 2022.

"*sovereign default*", "*slowdown in global growth*", "*sovereign rating downgrade*", and "*interest rate*". On the other hand, risk perception deteriorated for "*natural disasters/increasing threat of climate change*", "*geopolitical risk for Pakistan*", and "*cyber security*" (**Figure E).**

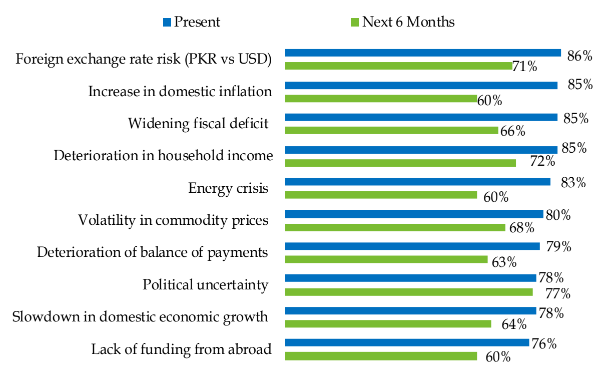
Perception on Sources of Systemic Risk- Present — Figure A



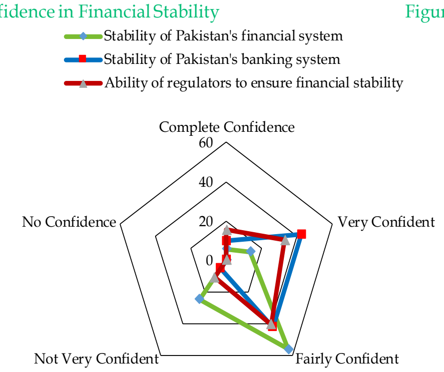
Perception on Sources of Systemic Risk- 6 months — Figure B



Top 10 Risks Identified — Figure C



Confidence in Financial Stability — Figure D



Comparison of SBP's Systemic Risk Survey (SRS) Results (11th, 12th and 13th waves) — Figure E

Risk Categories		11th Wave (Jan-23) Present (Average)	12th Wave (Jul-23) Present (Average)	13th Wave (Jan-24) Present (Average)
Global	Slowdown in global growth	2.17	2.50	2.46
	Sovereign default	2.38	2.68	2.78
	Lack of funding from abroad	1.93	1.89	1.97
	Volatility in commodity prices	1.82	2.06	1.89
Macroeconomic	Slowdown in domestic growth	2.00	1.93	2.00
	Increase in domestic inflation	1.67	1.69	1.82
	Widening fiscal deficit	1.79	1.89	1.82
	Deterioration of BoP	1.74	1.90	1.89
	Sovereign rating downgrade	1.98	2.17	2.26
	Slowdown in corporate sector growth	2.22	2.06	2.27
	Slowdown in infrastructure development	2.52	2.51	2.52
	Deterioration in household savings	1.91	1.85	1.82
	Volatility in real estate prices	2.69	2.81	2.80
	Energy crisis	1.73	1.97	1.89
	Political uncertainty	1.75	1.70	1.84
Financial Market	Foreign exchange rate	1.54	1.64	1.74
	Equity price	2.33	2.44	2.61
	Interest rate	1.93	1.97	2.13
	Liquidity	2.15	2.16	2.34

Risk Categories		11th Wave (Jan-23) Present (Average)	12th Wave (Jul-23) Present (Average)	13th Wave (Jan-24) Present (Average)
Institutional	Regulatory	2.67	2.70	2.63
	Legal	2.91	2.82	2.88
	Asset quality deterioration	2.29	2.31	2.20
	Shortfall in capital requirement	2.39	2.44	2.45
	Access to funding (deposit mobilization & borrowings)	2.63	2.79	2.64
	Excessive private sector credit	2.62	2.74	2.78
	Concentration risk in PSC	2.63	2.81	2.74
	Concentration risk in mutual fund	3.06	3.07	3.07
	Operational	2.76	2.79	2.70
	Cyber security	2.34	2.38	2.21
General	Disruption in financial market	2.61	2.66	2.72
	Terrorism	2.41	2.55	2.34
	Geopolitical	2.21	2.26	2.08
	Natural disasters/ Increasing threat of climate change	2.34	2.11	2.18
	Social unrest	2.29	2.22	2.24

1 — Very High; 3 — Medium; 5 — Very Low