

# *Flow of Funds Accounts of Pakistan*

**2013-14**

A comprehensive set of accounts that includes detail on the assets & liabilities of households & NPISH, non-financial corporations, governments, rest of the world and financial institutions.

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**Flow of Funds Division  
Statistics & DWH Department  
State Bank of Pakistan**



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# Flow of Funds Accounts of Pakistan

*2013-14*

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Statistics & DWH Department  
STATE BANK OF PAKISTAN



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## PREFACE

**S**tatistics & DWH Department provides quality statistics on economic and financial sectors of Pakistan. This department serves the data needs of all the internal and external stakeholders. The department also provides quality statistics to international institutions. Therefore, department updates its methodologies and compilation procedures for harmonization with the international standards as and when issued.

The final flow of funds accounts for FY14 have been prepared from the data collected from all sectors of the economy. The data has been transformed into sectoral balance sheets as per guidelines of SNA-2008. Flow of Funds Accounts of Pakistan for the year 2013-14 contains a brief description of theoretical framework pertaining to detailed flow of funds, financial, capital accounts and stocks of different variables pertaining to non-financial corporate, government & household sectors. The flow of funds accounts highlights statistical relationship of financial activities of all the sectors of Pakistan's economy with one another and with the non financial activities that generate income and production. The system provides extensive sectoral and transaction coverage of financial developments in the economy, i.e. saving & investment, borrowing and lending.

We feel that these statistics would be useful for financial analysis, policy formulation, planning, and decision making. Comments and suggestions, for further improving the publication, are welcome.

*(Dr. Azizullah Khattak)*

The Director Statistics & DWH Department  
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## LIST OF ABBREVIATIONS

BOP	Balance of Payments
CB	Central Bank
DTC	Deposit Taking Corporations
Fa	Financial Auxiliaries
FC	Financial Corporations
FOF	Flow of Funds
Govt.	Government
HH	Households
IC	Insurance Companies
MMF	Money Market Fund
NBFC's	Non Bank Financial Corporations
NFC	Non Financial Corporations
NFPSE	Non Financial Public Sector Enterprises
NMMF	Non Money Market Fund
NPISH	Non Profit Institutions Serving Households
OFI	Other Financial Intermediaries
PF	Pension Fund
PSE's	Public Sector Enterprises
ROW	Rest of the World
SBP	State Bank of Pakistan
SDR's	Special Drawing Rights
SECP	Securities & Exchange Commission of Pakistan
SNA	System of National Accounts
T Bills	Treasury Bills
TFC	Term Finance Certificate



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## INTRODUCTION

**F**low of funds accounts analysis was initiated in 1982 by the State Bank of Pakistan (SBP) in collaboration with Pakistan Bureau of Statistics and Planning Commission of Pakistan. The framework including sectoral classification, transaction categorization, and compilation procedure were prepared by SBP under the guidelines of SNA-68. Since 2005 Pakistan has been compiling flow of funds according to SNA-93. With the passage of time, new trends have evolved in the economies. Financial Sector has thrived with innovative products, sophisticated equipments and diversification of financial instruments. To capture the changes, the UN released updated version of SNA i.e. SNA-2008 for the compilation of national accounts. Therefore, State Bank of Pakistan (SBP) has also implemented SNA-2008.

The Flow of Funds Accounts 2012-13 and onward have been compiled according to the United Nations System of National Accounts 2008 (SNA-2008). These guidelines are in complete harmony with the sectors of the economy and classification of transactions, estimate of sectoral savings and investment together with financial flows classified by instruments. The results have been outlined in the flow of funds accounts statements.

### **1.1 Conceptual Framework of Accounts**

Flow of funds arises from transactions taking place in an economy involving purchase or sale of goods and services or exchanges of assets and liabilities. These transactions reflect flow of funds from one agent to other and from one sector to other. National flow of funds accounts

provide a record of these flows for the whole economy. The accounts covering individual or corporate transactions are called resources-uses statements. Thus, the flow of funds accounts or accounts of financial flows record and summarize, in a systematic way, the financial transactions of economy.

The accounts record and maintain the borrowing and lending operations of various sectors of the domestic economy and with the Rest of the World sector. It also helps to trace the flows of savings through various financial channels for the financing of real capital formation. The accounting of financial flows is one component of the national economic accounting. It shows financial transactions between sectors of the economy linking the saving and investment aggregates in other components of the national economic accounting with their associated lending and borrowing activities. This may be used to analyze financial developments. The accounts once a separate Statistical system is now linked to the non financial economy by its integration with the national accounting framework, particularly through associating financial data with data on savings and capital formation. Flow of funds are transactions accounts, but they are often linked to balance sheet accounts prepared in conjunction with accounts of stocks of financial assets and liabilities of each sector.

The flow of funds accounts mainly consist of two parts, i.e. non-financial flows and financial flows. Non-financial flows are the flow of current income and expenditure, saving and investment. Income and outlay account of a sector is the incoming of factor income and outgoing of consumption expenditure including net current transfers and presents saving as a balancing entry. Saving is transferred from the income and outlay account to the capital account and is used for investment purposes. Lending/borrowing are the balancing entry of this account depending on whether uses are less or more than the resources of the sector. The essential feature of the non-financial flows is thus to present saving, investment and net lending/borrowing. The surplus/deficit in the non-financial flows indicates the saving investment gap. In fact, the non-financial flows in the flow of funds accounts are the same as the capital account with saving and investment as resources and uses.

The financial flows account is an extension of capital account and describes lending and borrowing operations of the different sectors in the economy. Sectors borrow by issuing claims on themselves or lend to others by accepting claims on them. A sector may carry out both of these activities in varying degrees. A sector is classified as a deficit sector when the claims issued are more than the claims accepted. Net lending to other sectors is the indication of a surplus sector. The borrowing transactions take the form of increase in liabilities, sale of

financial assets or reduction of money balances. The lending operations are acquisition of financial assets, increase in money balances or repayment of past debts. Increase in liabilities and decrease in financial assets are termed as the financial resources of funds or incurrence of liabilities while increases in financial assets and decreases in liabilities are known as the financial uses of funds or acquisition of financial assets.

The flow of funds accounts are presented on from whom to whom basis classified by type of the financial instruments. Funds obtained (resources of funds) in any type of financial instrument should be equal to the uses of funds in that form as the financial claims issued by one sector are held by others. The non-financial flows display the sector's current and capital receipts and payments which give rise to its financial deficit (a net use of funds) while the financial flows show the increases in the sector's financial liabilities (resources of funds) which have allowed it to finance the deficit and acquire additional financial assets (uses of funds). The financial surplus/deficit shows the difference between financial resources and uses of a sector. The sum of the financial surplus/deficit across the sectors should be zero, since any change in one sector's financial liabilities must be matched by change in another sector's financial assets.

A balanced resources and uses of funds account is drawn for each sector to record its savings and borrowings (resources of funds) and its real investment, lending and accumulation of money balances (uses of funds). The surplus/deficit of a sector can be analyzed into issue and acquisition of financial claims. On the pattern of double-entry system of book keeping, these sector accounts interlock because the issue of claims by one sector generates corresponding entry for acquisition of claims by other. The complete set of flow of funds accounts summary matrix for any year is, therefore, an interlocking set of resources and uses for the economy as a whole.

## **1.2 Purpose and Value of Accounts**

The flow of funds accounts house many channels through which financial policies are implemented. Particularly if data for the sectors and sub-sectors responsible for implementing policies are presented separately from other sectors. For example, to analyze how changes in financial positions affect spending decisions and economic behavior, it is possible to trace the effects of monetary policy actions through the accounts of the central bank, other depository corporations, and non-financial sectors. The linkages examined in flow of funds accounts are more extensive than those presented in monetary statistics. Flow of funds accounts are useful for financial projections and forecasting, by ensuring both:

1. The internal consistency of financial forecasts and
2. The consistency of financial forecasts with national accounts forecasts.

The accounting constraints in the matrix can be built into economic models in which the variables are forecasted simultaneously, or they can be used as a consistency check on forecasts of variables that have been derived independently of one another.

Flow of funds accounts are useful in macroeconomic modeling and provide a framework for financial programming. These accounts demonstrate a number of sectoral relationships (including consistency of flows between sectors with macroeconomic objectives such as a sustainable balance of payments position, adequacy of credit from depository corporations to specified sectors, financing central government deficit, etc.).

The accounts facilitate analysis of sectoral movements that balance supply and demand for funds coming from significant sectors of the economy. The quantum and nature of funds that are transferred directly from savers to the investors as also those routed through financial intermediaries are revealed. Changes in the liabilities and assets of foreign countries/institutions are listed separately in the Rest of the World sector. Thus the level of domestic savings via financing by the Rest of the World may also be ascertained from these accounts. The flow of funds accounts provide a useful macro-economic framework for investment program analysis.

The intermediary role, played by the financial institutions such as banks, non-bank financial institutions and insurance companies in attracting funds and responding to the investment needs of the economy may be assessed from flow of funds accounts. The operations of the financial intermediaries in relation to sectoral flows and the structural changes in various forms of their borrowing and lending activities are important to analysts in many ways. This is more important for developing countries where demand for funds and for material resources normally exceeds supply.

When sector accounts are placed side by side and the flow of funds matrix for the economy is constructed as a whole, a variety of analytical questions about capital market process and problems of growth can be answered like how private and public capital formation is being financed in a plan period? How much capital is provided from domestic savings and how much from abroad?

Compilation of flow of funds accounts is important for Pakistan as it provides a framework for the analysis of a number of key financial problems in development planning. The financing

of the public sector development program including financing of the federal budgetary deficit and the public sector enterprises, management of the balance of payments to ensure adequate foreign exchange reserves and the control of the monetary and banking system with a view to ensuring availability of adequate funds are the problems which can be tackled within the flow of funds framework.

### **1.3 The Structure of Accounts under SNA-2008**

SNA-2008 contains a consistent and integrated set of economic accounts that cover all institutional sectors and sub-sectors of the economy and the economic relationships of an economy with the Rest of the World (RoW). The SNA contains a full set of interrelated accounts for transactions and other flows, as well as balance sheets that show the stocks of non-financial assets, financial assets, and liabilities. The main elements of the accounts of the SNA for the economy can be presented as equations that show the internal relationships among main aggregates for the total economy. The basic equations can be combined and rearranged to highlight saving-capital formation relationships and links between the domestic economy and the RoW.

### **1.4 Sector of Economy**

A significant element in the preparation of flow of funds accounts is the appropriate grouping of commonly identifiable economic units into sectors. A sector refers to a subdivision of the economy, in particular to a group of decision-making units within the economy that are more or less homogeneous in certain respects. The choice is governed by such considerations as the homogeneity of groups of decision-making units, the availability of basic data, and ease in handling.

The sectoral classifications follow the United Nations System of National Accounts (SNA-2008), that consists of a coherent, consistent, and integrated set of macroeconomic accounts; balance sheets and tables based on internationally agreed concepts, definitions, and classifications and accounting rules. It provides a comprehensive accounting framework in which economic data can be compiled and presented in a format designed for the purposes of economic analysis, decision, and policy making.

According to SNA-2008, the sectors and sub-sectors classification is as following:

1. Non-financial Corporations

- a) Public Sector Enterprises
  - b) Private Corporations
    - i. National Private
    - ii. Foreign Controlled
2. Financial Corporations
- a) Central Bank
  - b) Deposit taking Corporations
  - c) Other Financial Intermediaries
  - d) Insurance Corporations
  - e) Financial Auxiliaries
  - f) Money Market Funds
  - g) Non-Money Market Funds
  - h) Pension Funds
3. General Government
- a) Federal Government including Non-Profit Institutions (NPIs) and excluding Public Sector Enterprises (PSEs)
  - b) Provincial & Local Government including NPIs and excluding Public Sector Enterprises
4. Households and Non -Profit Institutions Serving Households (NPISH)
5. The Rest of the World



## OVERVIEW

Total financial assets outstanding amounted to Rs. 44,820.9 billion at the end of 2013-14, depicting an increase of Rs. 4,466.7 billion (11.1%) from the end of the previous year. In similar fashion, total financial liabilities outstanding amounted to Rs. 63,236.8 billion at the end of the period under review, reflecting an increase of Rs. 6,090.1 billion (10.7%) from the end of the previous year.

The outstanding financial assets of households and nonprofit institutions serving households (NPISH) increased by Rs. 108.8 billion (1.0%) from the end of 2012-13 to Rs. 10,914.9 billion. Similarly, financial debts also increased by Rs. 593.3 billion (56.1%) to Rs. 1,651.7 billion. As the financial debt of households & NPISH increased at a faster pace than their financial assets, the net financial assets (financial asset- financial debts) of households & NPISH decreased by Rs. 484.5 billion (-5.0%) from Rs. 9,747.7 billion at the end of the previous year to Rs. 9,263.3 billion. On similar fashion, the ratio of financial assets to financial debts of households & NPISH dropped from 10.21 times at the end of the previous year to 6.61 times.

The scale of the non-financial corporate sector's fund-raising increased from Rs. 864.5 billion over the previous year to Rs. 1,612.2 billion, influenced by a sharp increase in borrowings from deposit taking institutions (Rs. 1.9 billion - Rs. 464.4 billion). Similarly, the scale of the non-financial corporate sector's funds utilization increased from previous year's Rs. 556.2 billion to Rs. 1,628.3 billion during 2013-14. The non-financial corporate sector's funds shortage dropped from Rs. 308.3 billion in the previous year to Rs. -16.1 billion.

CHAPTER 2. OVERVIEW

In the case of households & NPISH, the scale of fund raising have been increased whereas fund utilization have been decreased. This resulting, the scale of the funds surplus decreased from Rs. 1,614.3 billion in the previous year to Rs. 726.2 billion.

Table 2.1: Main Indices of Flow of Funds as on 2013-14

		(Million Rs.)				
		2009-10	2010-11	2011-12	2012-13	2013-14
All Sectors	<b>Financial Assets</b>	<b>28,712,903</b>	<b>32,377,054</b>	<b>35,356,400</b>	<b>40,354,265</b>	<b>44,820,934</b>
	<i>Changes</i>	3,083,963	3,664,151	2,979,346	4,997,865	4,466,669
	<i>Growth (%)</i>	12.0	12.8	9.2	14.1	11.1
	<b>Financial Liabilities</b>	<b>40,822,411</b>	<b>46,384,196</b>	<b>51,349,170</b>	<b>57,146,745</b>	<b>63,236,819</b>
	<i>Changes</i>	3,212,629	5,561,785	4,964,974	5,797,575	6,090,073
	<i>Growth (%)</i>	8.5	13.6	10.7	11.3	10.7
Households	<b>Financial Assets (A)</b>	<b>7,022,340</b>	<b>7,859,794</b>	<b>8,966,918</b>	<b>10,806,146</b>	<b>10,914,945</b>
	<i>Changes</i>	539,240	837,454	1,107,124	1,839,228	108,799
	<i>Growth (%)</i>	8.3	11.9	14.1	20.5	1.0
	<b>Financial Liabilities (B)</b>	<b>940,542</b>	<b>1,327,094</b>	<b>1,033,875</b>	<b>1,058,423</b>	<b>1,651,678</b>
	<i>Changes</i>	161,249	386,552	(293,219)	24,548	593,255
	<i>Growth (%)</i>	20.7	41.1	(22.1)	2.4	56.1
	<b>Net Financial Assets (A-B)</b>	<b>6,081,798</b>	<b>6,532,700</b>	<b>7,933,043</b>	<b>9,747,723</b>	<b>9,263,267</b>
	<i>Changes</i>	377,991	450,902	1,400,343	1,814,680	(484,456)
	<i>Growth (%)</i>	6.6	7.4	21.4	22.9	(5.0)
	<b>Financial Ratio (A/B)</b>	<b>7.47</b>	<b>5.92</b>	<b>8.67</b>	<b>10.21</b>	<b>6.61</b>
Non-Financial Corp's	<b>Financial Assets (A)</b>	<b>6,261,509</b>	<b>7,057,683</b>	<b>7,621,690</b>	<b>8,540,905</b>	<b>10,516,315</b>
	<i>Changes</i>	490,573	796,174	564,007	919,215	1,975,410
	<i>Growth (%)</i>	8.5	12.7	8.0	12.1	23.1
	<b>Financial Liabilities (B)</b>	<b>13,307,116</b>	<b>14,309,165</b>	<b>15,341,373</b>	<b>16,462,625</b>	<b>17,849,037</b>
	<i>Changes</i>	57,269	1,002,049	1,032,208	1,121,252	1,386,412
	<i>Growth (%)</i>	(0.4)	7.5	7.2	7.3	8.4
	<b>Net Financial Assets (A-B)</b>	<b>(7,045,607)</b>	<b>(7,251,482)</b>	<b>(7,719,683)</b>	<b>(7,921,721)</b>	<b>(7,332,722)</b>
	<i>Changes</i>	547,842	(205,875)	(468,201)	(202,038)	588,998
	<i>Growth (%)</i>	(7.2)	2.9	6.5	2.6	(7.4)
	Financial Corp's	<b>Funds Supplied</b>	<b>725,669</b>	<b>980,657</b>	<b>1,351,801</b>	<b>1,503,167</b>
<i>Growth (%)</i>		(15.4)	35.1	37.8	11.2	(2.5)
Non-Fin. Corporate Sector		182,191	152,387	(4,602)	1,111	467,834
Households		575,665	896,154	1,347,902	1,461,314	1,040,866
Government Sector		(32,187)	(67,884)	8,502	40,741	(42,443)

Notes:

1) Changes from the ends of the previous years.

2) The volume of funds supplied to domestic non-financial sectors by financial corporations including SBP during period.

The scale of funds raised by the government sector decreased from Rs. 2,001.6 billion in the previous year to Rs. 1,984.5 billion. The amount of funds utilized by the government sector increased from Rs. 301.1 billion in the previous year to Rs. 936.0 billion. As a result of decrease in the volume of fund raising and an expansion in fund utilization, the scale of the funds surplus expanded from Rs. -1,700.5 billion of the previous year to Rs. -1,048.5 billion in

2013-14. The rest of the world saw the scale of funds shortage increased from Rs. 245.5 billion of the previous year to Rs. 323.1 billion.

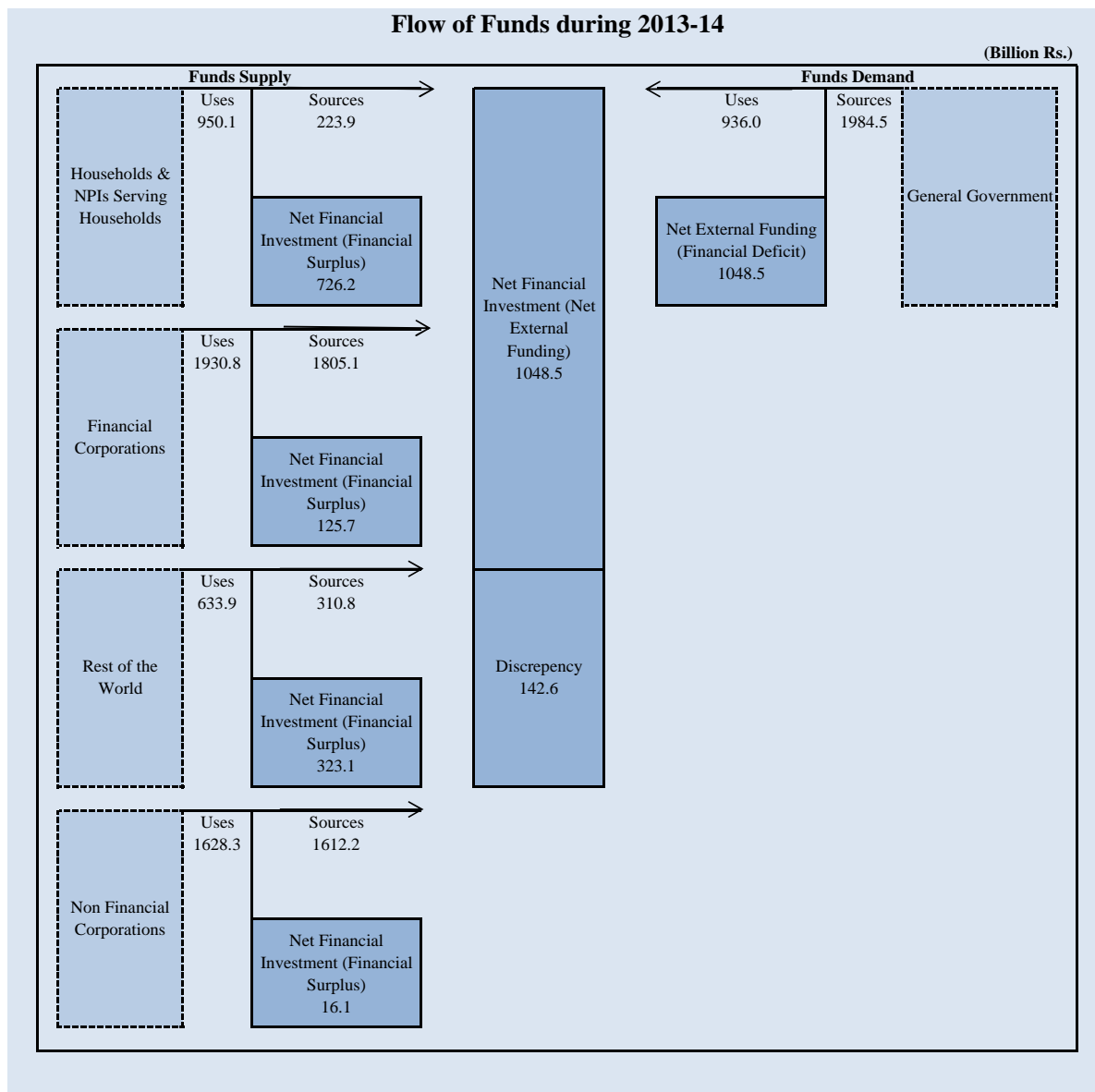


Figure 2.1: Summary of Flow of Funds

During the year 2013-14, the volume of fund-raising by the financial corporations sector increased to Rs. 1,805.1 billion from the previous year’s of Rs. 1,509.6 billion. Similarly, the scale of the financial corporation sector’s funds utilization increased from Rs. 1,583.3 billion in the previous year to Rs. 1,930.8 billion. The scale of financial corporations funds’ surplus rose slightly from Rs. 73.7 billion of the previous year to Rs. 125.7 billion with increases in the volume of both fund raising and fund utilization.

## 2.1 Financial Assets and Debts

### 2.1.1 Total Financial Assets

Total financial assets outstanding amounted to Rs. 44,820.9 billion at the end of 2013-14, an increase of 11.1 percent from the end of the previous year. Viewing the trends of the components of financial assets, the weights of currencies and deposits (30.0% - 32.7%), shares capital (5.4% - 6.7%), debt securities (24.5% - 24.7%) and trade credit and advances (7.1% - 8.1%) rose, but those of loans & advances (14.7% - 12.7%) and other accounts receivables (18.3% - 15.1%) fell.

Table 2.2: Trends of Total Financial Assets - Year End

	(Year End - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Total Financial Assets</b>	<b>28,712,903</b>	<b>32,377,054</b>	<b>35,356,400</b>	<b>40,354,265</b>	<b>44,820,934</b>
	<b>12.0</b>	<b>12.8</b>	<b>9.2</b>	<b>14.1</b>	<b>11.1</b>
Currency & Deposits	8,585,285	10,207,930	10,948,432	12,110,241	14,650,933
	29.9	31.5	31.0	30.0	32.7
Debt Securities	5,176,765	6,519,970	7,881,093	9,866,827	11,074,479
	18.0	20.1	22.3	24.5	24.7
Loans & Advances	5,182,725	5,362,991	5,462,836	5,948,434	5,676,786
	18.1	16.6	15.5	14.7	12.7
Shares Capital	2,035,040	1,915,130	2,068,911	2,175,208	3,008,441
	7.1	5.9	5.9	5.4	6.7
Trade Credit & Advances	2,186,207	2,618,281	2,847,784	2,880,574	3,644,350
	7.6	8.1	8.1	7.1	8.1
Other Accounts Receivables <sup>3</sup>	5,546,881	5,752,752	6,147,344	7,372,981	6,765,945
	19.3	17.8	17.4	18.3	15.1

Notes:

1) Figures in **bold** represent percentage changes from the ends of the previous years.

2) Figures in *italic* represent shares in total assets.

3) Includes monetary gold & SDR, Insurance & technical reserves, financial derivatives and other financial assets.

### 2.1.2 Total Financial Liabilities

Total financial liabilities outstanding amounted to Rs. 63.236.8 billion at the end of 2013-14, an increase of 10.7 percent from the end of the previous year. Viewing the trends of the components of financial liabilities the weights of currencies & deposits (21.6% - 23.2%), debt securities (16.7% - 17.8%), shares capital (13.5% - 14.3%) and trade credit and advances (3.4% - 4.9%) increased. Whereas, those of loans & advances (27.9% - 25.1%) and other accounts payable (16.8% - 14.7%) decreased.

## 2.1. FINANCIAL ASSETS AND DEBTS

Table 2.3: Trends of Total Financial Liabilities

	(Year End - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Total Financial Liabilities</b>	<b>40,822,411</b>	<b>46,384,196</b>	<b>51,349,170</b>	<b>57,146,745</b>	<b>63,236,819</b>
<b>Changes</b>	<b>8.5</b>	<b>13.6</b>	<b>10.7</b>	<b>11.3</b>	<b>10.7</b>
Currency & Deposits	8,617,152 <i>21.1</i>	9,953,460 <i>21.5</i>	11,020,361 <i>21.46</i>	12,349,735 <i>21.61</i>	14,646,258 <i>23.2</i>
Debt Securities	5,180,666 <i>12.7</i>	6,393,060 <i>13.8</i>	7,910,044 <i>15.4</i>	9,547,936 <i>16.7</i>	11,269,897 <i>17.8</i>
Loans & Advances	13,749,956 <i>33.7</i>	14,856,639 <i>32.0</i>	15,738,510 <i>30.6</i>	15,962,154 <i>27.9</i>	15,860,606 <i>25.1</i>
Shares Capital	4,638,988 <i>11.4</i>	5,603,252 <i>12.1</i>	6,268,611 <i>12.2</i>	7,708,704 <i>13.5</i>	9,050,153 <i>14.3</i>
Trade Credit & Advances	1,613,942 <i>4.0</i>	2,365,358 <i>5.1</i>	2,340,582 <i>4.6</i>	1,958,202 <i>3.4</i>	3,119,405 <i>4.9</i>
Other Accounts Payables <sup>3</sup>	7,021,707 <i>17.2</i>	7,212,427 <i>15.5</i>	8,071,062 <i>15.7</i>	9,620,014 <i>16.8</i>	9,290,500 <i>14.7</i>

Notes:

- 1) Figures in **bold** represent percentage changes from the ends of the previous years.
- 2) Figures in *italic* represent shares in total liabilities.
- 3) Includes monetary gold & SDR, Insurance & technical reserves, financial derivatives and miscellaneous liabilities

### 2.1.3 Financial Assets and Liabilities of Households

The financial assets of households & NPISH increased by 1.0 percent from Rs. 10,806.1 billion at the end of 2012-13 to Rs. 10,914.9 billion at the end of 2013-14.

Table 2.4: Financial Assets Outstanding of the Households and NPISH

	(Year End - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Financial Assets</b>	<b>7,022,340</b>	<b>7,859,794</b>	<b>8,966,918</b>	<b>10,806,146</b>	<b>10,914,945</b>
	<i>8.3</i>	<i>11.9</i>	<i>14.1</i>	<i>20.6</i>	<i>1.0</i>
Currency & Deposits	3,933,950	4,784,726	5,520,107	6,527,856	7,527,497
Debt Securities	1,505,926	1,823,799	2,013,223	2,207,054	2,465,868
Insurance & Pension Reserves	245,237	286,280	347,031	391,159	101,047
Shares Capital	354,524	337,249	348,620	340,666	354,524
Other Accounts Receivables <sup>2</sup>	982,703	627,740	737,937	1,339,411	466,010

Notes:

- 1) Figures in *italic* represent changing ratio (%) from the preceding year-end.
- 2) Include trade credit & advances, loans etc

Viewing the trends of the components of financial assets of households & NPISH, the weights of currency & deposits (60.4% - 69.0%) and debt securities (20.4% - 22.6%) rose, but

those of insurance and pension (3.6% - 0.9%), others (include trade credit & advances and loans) (12.4% - 4.3%) fell whereas, shares capital (3.2% - 3.2%) remain unchanged.

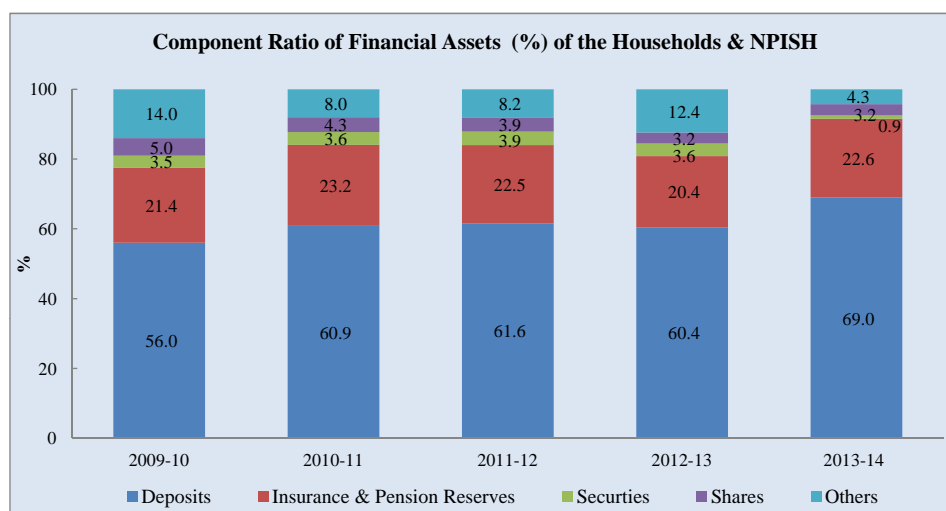


Figure 2.2: Component Ratio of Financial Assets of Households & NPISH

The financial liabilities of households & NPISH sharply increased by 56.1 percent from Rs. 1,058.4 billion at the end of 2012-13 to Rs. 1,651.7 billion, compared to 2.4 percent increase in the previous year.

Table 2.5: Financial Debts Outstanding of the Households & NPISH

	(Year End - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Financial Debt</b>	<b>940,542</b>	<b>1,327,094</b>	<b>1,033,875</b>	<b>1,058,423</b>	<b>1,651,678</b>
	<i>20.7</i>	<i>41.1</i>	<i>-22.1</i>	<i>2.4</i>	<i>56.1</i>
Borrowing From Central Bank	14,937	15,900	16,975	17,861	17,854
Borrowing From DTC's <sup>1</sup>	669,259	611,097	634,339	684,185	670,905
Borrowing From NBFC's <sup>2</sup>	19,187	31,569	6,238	306	165
Borrowing From NFPSE's	14,464	23,912	26,765	22,525	19,999
Insurance & Pension Funds	17,773	20,259	24,090	28,091	701
Others <sup>3</sup>	204,923	624,356	325,467	305,456	942,055

Notes:

- 1) Loans extended by commercial banks.
- 2) Loans extended by other deposit accepting institutions, financial intermediaries & financial auxiliaries.
- 3) Trade credits, miscellaneous financial debts, etc.
- 4) Figures in *italic* represent changing ratio (%) from the preceding year end.

Viewing the details of the composition of financial debts of households & NPISH, the weight of borrowings from other (28.9% - 57.0%) climbed, but that of borrowings from deposits

taking corporations (64.6% - 40.6%), borrowings from Insurance & Pension Funds (2.7% - 0.0%), borrowings from non banking financial corporation (1.7% - 1.1%) and borrowings from non-financial corporate sector (2.1% - 1.2%) dropped.

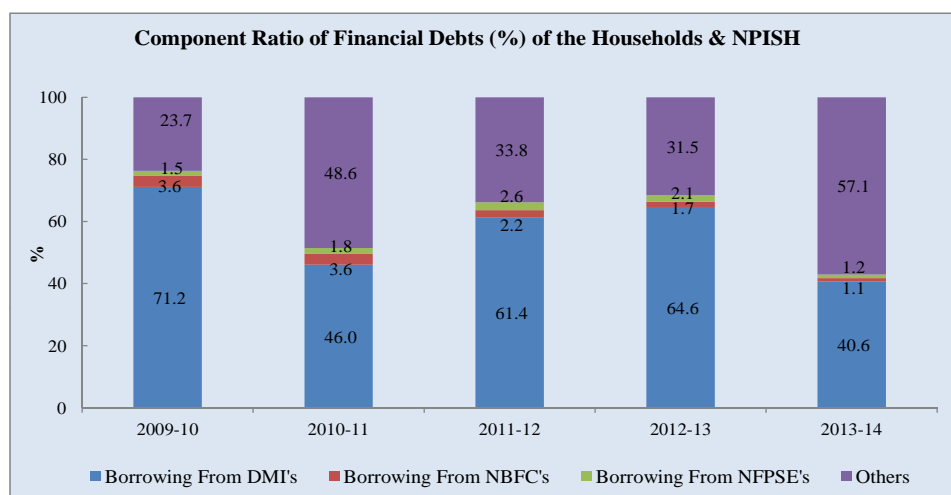


Figure 2.3: Component Ratio of Financial Debt of Households & NPISH

At the end of 2013-14, the net financial assets of households & NPISH stood at Rs. 9,263.3 billion having decreased by Rs. 484.5 billion from Rs. 9,747.7 billion at the end of the previous year. A small increase of Rs. 108.8 billion in the assets of households & NPISH was offset by the expansion of Rs. 593.3 billion in holdings of financial debts.

Table 2.6: Trend of Net Financial Assets of the Households & NPISH

	(Year End - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Financial Assets (A)	7,022,340	7,859,794	8,966,918	10,806,146	10,914,945
	<i>539,240</i>	<i>837,454</i>	<i>1,107,124</i>	<i>1,839,228</i>	<i>108,799</i>
Financial Debts (B)	940,542	1,327,094	1,033,875	1,058,423	1,651,678
	<i>161,249</i>	<i>386,552</i>	<i>(293,219)</i>	<i>24,548</i>	<i>593,255</i>
<b>Net Financial Assets (A-B)</b>	<b>6,081,798</b>	<b>6,532,700</b>	<b>7,933,043</b>	<b>9,747,723</b>	<b>9,263,267</b>
	<i>377,991</i>	<i>450,902</i>	<i>1,400,343</i>	<i>1,814,680</i>	<i>(484,456)</i>

Notes:

1) Figures in *Italic* represent changes from the ends of the previous years.

Meanwhile, the ratio of financial assets to financial liabilities of households & NPISH decreased from 10.21 times at the end of 2012-13 to 6.61 times as financial debts increased at a faster pace than financial assets.

Table 2.7: Financial Ratio of the Households &amp; NPISH

	(Year End - Time)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Financial Assets	7,022,340	7,859,794	8,966,918	10,806,146	10,914,945
Financial Debts	940,542	1,327,094	1,033,875	1,058,423	1,651,678
<b>Financial Ratio (A/B)</b>	<b>7.47</b>	<b>5.92</b>	<b>8.67</b>	<b>10.21</b>	<b>6.61</b>

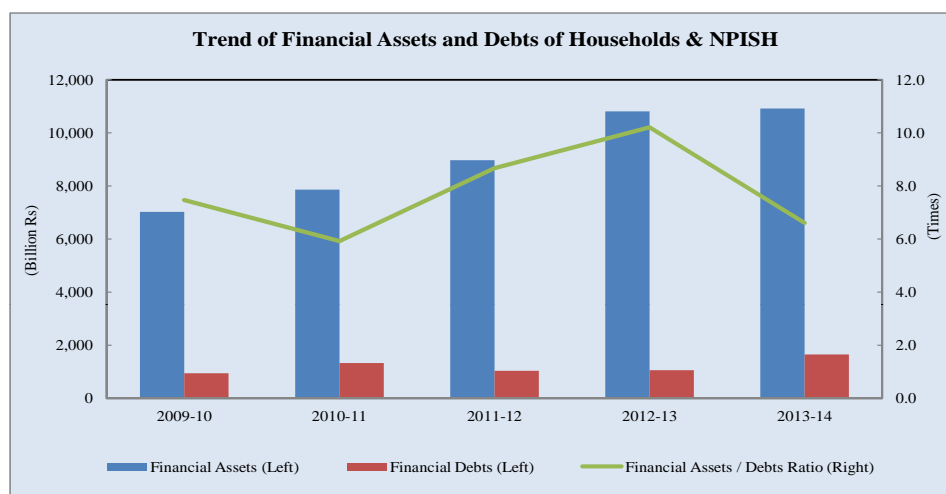


Figure 2.4: Trend of Financial Assets &amp; Debt of Households &amp; NPISH

## 2.2 Financial Transactions Characteristics by Sector

### 2.2.1 Non-Financial Corporate Sector

#### 2.2.1.1 Fund Raising

During the year 2013-14, the volume of fund-raising of the non-financial corporate sector increased by Rs. 747.7 billion to Rs. 1,612.2 billion from the previous year's of Rs 864.5 billion, centering on borrowings from deposit-taking institutions.

Looking at the pattern of fund-raising by the non-financial corporate sector, the amount of indirect financing rose to Rs. 470.2 billion from Rs. 232.4 billion of the previous year. The volume of fund-raising through direct financing increased from Rs. 250.7 billion in the preceding year to Rs. 885.0 billion owing to an increase in the share capital. Fund-raising from others drop from Rs. 306.3 billion in the preceding year to Rs. 305.5 billion. Whereas, fund-raising from overseas decreased from Rs. 75.1 billion to Rs. -48.6 billion during the period under review.



## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

Due to a rise in fund-raising at home and abroad through indirect financing by the non-financial corporate sector, the ratio of fund-raising through indirect financing during the year 2013-14 soared from 26.9 percent of the previous year to 29.2 percent, the fund-raising through direct financing rose from 29.0 percent of the previous year to 54.9 percent and other accounts payable during the period under review decreased from 35.4 percent of the previous year to 19.0 percent. However, the ratio of fund-raising from overseas decreased from 8.7 percent of the previous year to -3.0 percent.

Table 2.8: Fund Raising by the Non-financial Corporation Sector

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Raising</b>	<b>1,305,465</b>	<b>844,114</b>	<b>1,240,743</b>	<b>864,510</b>	<b>1,612,170</b>
<b>Indirect Finance<sup>1</sup></b>	<b>134,625</b>	<b>292,648</b>	<b>230,497</b>	<b>232,413</b>	<b>470,234</b>
Borrowing From NFPSE's	24,490	86,743	(4,310)	124,430	(11,049)
Borrowing From Central Bank	(1,500)	-	-	39,294	-
Borrowing From DTC's	86,841	142,734	152,477	1,925	464,351
Borrowing From NBFC's	(6,760)	874	6,159	1,556	(1,029)
Borrowings from Government	37,242	56,627	74,120	61,168	15,746
Borrowings from Other Resident Sec.	(5,688)	5,670	2,052	4,041	2,216
<b>Direct Finance<sup>2</sup></b>	<b>464,230</b>	<b>323,919</b>	<b>(12,403)</b>	<b>250,682</b>	<b>885,043</b>
Deposits	29,251	43,513	23,282	38,645	72,173
Debt Securities	85,915	5,957	(175,578)	(7,882)	28,894
Shares Capital	349,065	274,449	139,894	219,919	783,975
<b>Borrowings from Overseas</b>	<b>23,034</b>	<b>58,509</b>	<b>48,544</b>	<b>75,110</b>	<b>(48,642)</b>
<b>Other Accounts Payable<sup>3</sup></b>	<b>683,575</b>	<b>169,037</b>	<b>974,105</b>	<b>306,306</b>	<b>305,535</b>

Notes:

- 1) Borrowings from financial & non financial corporations
- 2) Shares and other equity, securities, corporate bonds, etc
- 3) Trade credits, bills payable, etc

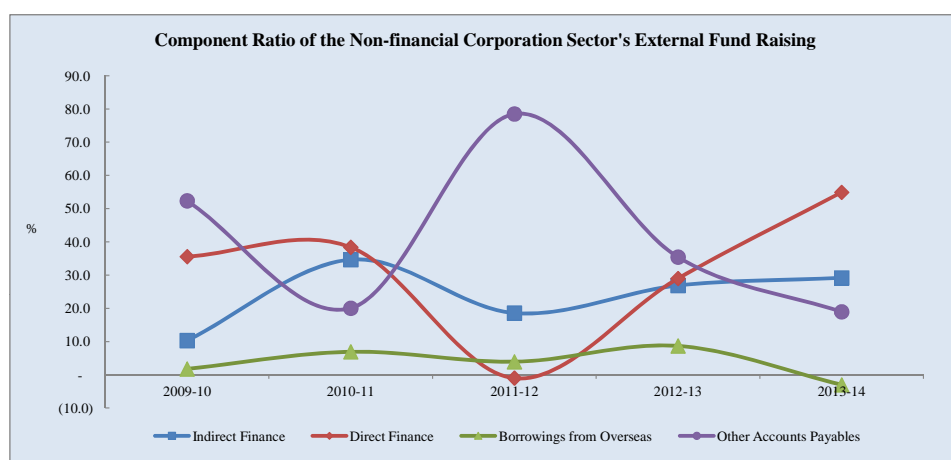


Figure 2.5: Component Ratio of Non-financial Corporation Sector's Fund Raising

### 2.2.1.2 Fund Utilization

During 2013-14, the scale of the non-financial corporate sector's funds utilization increased from previous year's Rs. 556.2 billion to Rs. 1,628.3 billion. Viewing the pattern of funds utilization by type of financial instrument, the sector's utilization of debt securities, currency & deposits, loans, shares capital, foreign claims and decreased, whereas insurance & technical reserves and other accounts receivable increased which resulted in increase in overall sector's utilization.

Table 2.9: Fund Utilization by the Non-Financial Corporation Sector

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Utilization</b>	<b>924,574</b>	<b>327,963</b>	<b>1,008,243</b>	<b>556,192</b>	<b>1,628,300</b>
Currency & Deposits	259,406	301,761	233,120	390,095	348,295
<i>Currency</i>	1,860	2,212	2,519	21,107	(13,829)
<i>Transferable deposits</i>	120,858	215,568	126,834	308,962	308,827
<i>Other transferable deposits</i>	28,686	15,266	25,378	28,746	56,067
<i>Other deposits</i>	108,001	68,716	78,389	31,280	(2,769)
Debt Securities	12,416	19,816	48,964	155,238	30,839
Loans Extended	51,273	7,156	(9,333)	(10,965)	(18,504)
Shares Capital	54,350	24,962	(2,260)	77,053	36,308
Insurance & Technical Reserves	9,727	9,463	5,412	6,854	404,066
Foreign Claims	34,065	93,099	(5,441)	37,595	(8,880)
Other Accounts Receivable <sup>1</sup>	503,338	(128,294)	737,782	(99,678)	836,176

Note:

1) Include trade credits, bills receivable, etc

### 2.2.1.3 Financial Deficit

In the year 2013-14, the financial deficit (fund raising - fund utilization = investment - savings) of the non-financial corporate sector decreased to Rs. -16.3 billion from Rs. 308.3 billion of the previous year.

Table 2.10: Non-Financial Corporation Sector's Funds Shortage

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Fund Raising	1,305,465	844,114	1,240,743	864,510	1,612,170
Fund Utilization	924,574	327,963	1,008,243	556,192	1,628,300
<b>Funds Shortage<sup>1</sup></b>	<b>380,890</b>	<b>516,151</b>	<b>232,500</b>	<b>308,318</b>	<b>(16,130)</b>

Note:

1) Positive figures represent financial surplus, negative figures represent financial deficit

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

### 2.2.2 Households & NPISH

During the year 2013-14, the amount of funds raised by households & NPISH came to Rs. 223.9 billion, a sharp increase from the previous year's of Rs. 0.7 billion.

Table 2.11: Fund Raising and Utilization by the Households & NPISH

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Raising (A)</b>	<b>(7,619)</b>	<b>(314,344)</b>	<b>59,486</b>	<b>697</b>	<b>223,859</b>
Borrowing From Central Bank	3,872	963	1,075	886	(7)
Borrowing From DTC's	(38,971)	(75,100)	3,582	34,268	(16,918)
Borrowing From NBFC's <sup>1</sup>	230	984	(1,081)	56	72
Borrowing From NFPSE's	(958)	(1,348)	1,428	(1,614)	2,310
Borrowing from Insurance Companies	3,467	2,487	3,831	4,000	(27,390)
Others <sup>2</sup>	24,742	(242,330)	50,651	(36,899)	265,791
<b>Fund Utilization (B)</b>	<b>927,067</b>	<b>1,125,929</b>	<b>1,665,283</b>	<b>1,614,993</b>	<b>950,096</b>
Currency & Deposits	450,575	617,691	724,951	1,015,424	796,541
<i>Currency</i>	141,123	207,295	171,760	274,115	253,624
<i>Transferable deposits</i>	224,876	243,960	331,293	535,321	449,422
<i>Restricted deposits</i>	82,527	75,344	117,557	214,621	41,318
<i>Other deposits</i>	2,049	91,093	104,341	(8,633)	52,177
Debt Securities	300,471	336,308	171,803	151,506	409,523
Loans Extended	(5,995)	5,670	2,052	4,041	2,216
Shares Capital	48,837	30,000	22,966	1,901	11,647
Insurance & Technical Reserves	42,321	41,043	60,751	44,129	(290,113)
Other Accounts Receivable <sup>2</sup>	90,858	95,218	682,760	397,992	20,283
<b>Difference (B- A)<sup>3</sup></b>	<b>934,686</b>	<b>1,440,273</b>	<b>1,605,796</b>	<b>1,614,296</b>	<b>726,238</b>

Notes:

1) Loans extended by securities institutions, other financial corporations and financial auxiliaries

2) Trade credits, miscellaneous financial debts, etc.

3) Positive figures represent financial surplus, negative figures represent financial deficit

By type of financial institution, fund raising through deposit taking corporations (Rs. 34.3 billion - Rs. -16.9 billion), insurance (Rs. 4.0 billion - Rs. -27.4 billion) and central bank (Rs. 0.9 billion - Rs. 0.0 billion) decreased, whereas fund-raising through non banking financial corporation's (Rs. 0.06 billion - Rs. 0.07 billion), non-financial corporation's (Rs. -1.6 billion - Rs. 2.3 billion) and others (Rs. -36.9 billion - Rs. 265.8 billion) increased.

The volume of households & NPISH utilization of funds declined to Rs. 950.1 billion from the previous year's of Rs. 1,615.0 billion. Looking at the pattern of funds utilization, currency & deposits at financial institutions decreased from previous year's of Rs. 1,015.4 billion to Rs. 796.5 billion due to a decrease in transferable deposits and other transferable deposits, although the other deposits increased.

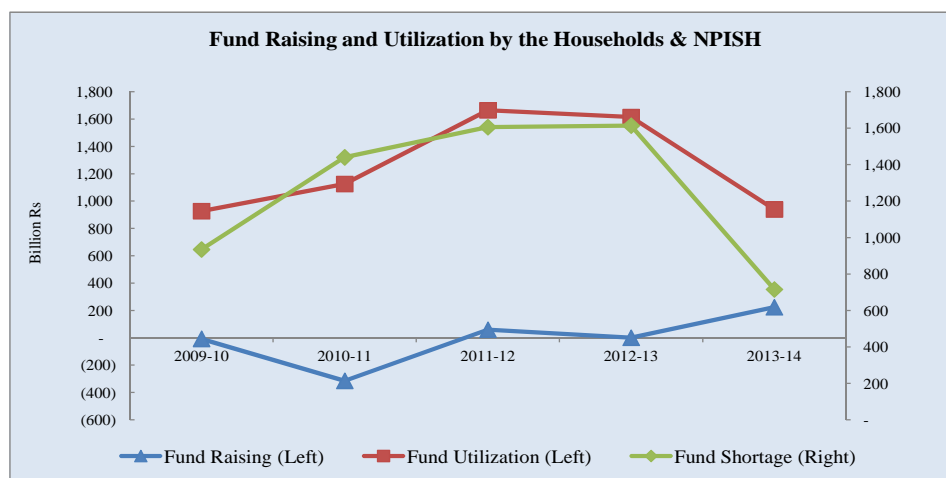


Figure 2.6: Fund Raising & Utilization by Households & NPISH

Meanwhile, the volume of loans decreased from the previous year's of Rs. 4.0 billion to Rs. 2.2 billion, other account receivable decreased from Rs. 398.0 billion in 2012-13 to Rs. 20.3 billion in 2013-14 and insurance & technical reserves decreased from Rs. 44.1 billion on previous year to Rs. -290.1 billion. Whereas, debt securities (Rs. 151.5 billion - Rs. 409.5 billion) and shares capital (Rs. 1.9 billion - Rs. 11.6 billion) increased from previous year.

Reflecting on this fund-raising and utilization conjecture, households & NPISH funds surplus decreased by Rs. 888.1 billion from previous year's of Rs. 1,614.3 billion to Rs. 726.2 billion .

### 2.2.3 General Government Sector

During the year 2013-14, funds raised by the government sector decreased from Rs. 2,001.6 billion in the previous year to Rs. 1,984.5 billion as the issuance of debt securities (Rs. 1,685.6 billion - Rs. 1,657.8 billion) and deposits (Rs. 197.1 billion - Rs. -15.2 billion) decreased, whereas borrowings from financial institutions (Rs. 37.6 billion - Rs. 168.8 billion) and other accounts payable (Rs. 81.4 billion - Rs. 173.1 billion) increased .

The amount of funds utilized by the government sector decreased from Rs. 301.1 billion of the previous year to Rs. 936.0 billion as currency & deposits (Rs. 20.2 billion - Rs. 537.5 billion) and shares capital (Rs. 14.2 billion - Rs. 323.1 billion) increased sharply, which served to offset decreases in loans extended (Rs. 59.0 billion - Rs. 14.1 billion) and other account receivable (Rs. 207.8 billion - Rs. 58.0 billion). As a result, the government sector's fund deficit shrink from previous year's (Rs. -1,700.5 billion to Rs. -1,048.5 billion).

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

Table 2.12: Fund Raising and Utilization by the General Government Sector

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Raising (A)</b>	<b>1,156,538</b>	<b>1,370,525</b>	<b>1,888,697</b>	<b>2,001,597</b>	<b>1,984,482</b>
Deposits	67,359	41,903	103,594	197,073	(15,247)
Debt Securities	752,815	1,334,130	1,487,190	1,685,578	1,657,817
Borrowings from Financial Inst.	257,590	(57,099)	179,177	37,592	168,792
Other Accounts Payable	78,774	51,591	118,735	81,354	173,121
<b>Fund Utilization (B)</b>	<b>159,190</b>	<b>258,817</b>	<b>158,089</b>	<b>301,071</b>	<b>936,031</b>
Currency & Deposits	78,123	200,018	(33,728)	20,181	537,493
<i>Currency</i>	197	85	-	-	-
<i>Transferable deposits</i>	58,271	192,967	(36,991)	32,126	507,551
<i>Restricted deposits</i>	(449)	2,609	(1,010)	15	29
<i>Other deposits</i>	20,104	4,356	4,273	(11,960)	29,913
Debt Securities	14,728	8,297	(2,637)	-	3,321
Loans Extended	36,828	56,270	73,943	58,952	14,122
Shares Capital	29,432	17,151	20,447	14,183	323,129
Other Accounts Receivable	80	(22,918)	100,064	207,756	57,966
<b>Difference (B- A)</b>	<b>(997,347)</b>	<b>(1,111,708)</b>	<b>(1,730,608)</b>	<b>(1,700,526)</b>	<b>(1,048,451)</b>

### 2.2.4 Rest of the World Sector

During the year 2013-14, the volume of the overseas sector's fund-raising grew from Rs. -383.0 billion in the previous year to Rs. 310.8 billion.

Table 2.13: Fund Raising and Utilization by the Rest of the World Sector

	(During Period - Million Rs.)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Raising (A)</b>	<b>343,859</b>	<b>273,190</b>	<b>(387,460)</b>	<b>(382,997)</b>	<b>310,780</b>
SDR's	97,481	(14,621)	(14,594)	(9,737)	(5,619)
Foreign Exchange Holdings	204,941	191,128	(381,305)	(440,545)	315,116
Foreign Direct Investment	6,356	4,365	9,780	28,905	10,828
Others	35,080	92,318	(1,341)	38,380	(9,545)
<b>Fund Utilization (B)</b>	<b>669,602</b>	<b>254,895</b>	<b>28,495</b>	<b>(137,466)</b>	<b>633,914</b>
Foreign Exchange Holdings	86,421	7,634	6,207	(37,219)	(6,991)
Overseas Securities <sup>1</sup>	(54,922)	(1,711)	(4,662)	445	206,027
Loans	354,350	48,228	(48,110)	(245,145)	52,426
Shares Investment by Non-residents	230,221	171,007	67,540	153,344	246,183
Trade Credits	(5,613)	14,626	(2,052)	(2,804)	2,607
Others	59,145	15,111	9,570	(6,087)	133,662
<b>Difference (B- A)<sup>2</sup></b>	<b>325,743</b>	<b>(18,296)</b>	<b>415,955</b>	<b>245,531</b>	<b>323,134</b>

Notes:

1) Debt securities held by non-residents

2) Positive figures represent financial surplus, negative figures represent financial deficit

Meanwhile, the scale of the overseas sector's funds utilization which had declined by Rs. -137.5 billion in 2012-13, climbed to Rs. 633.9 billion in 2013-14, sharply increased from the previous year. The overseas sector observed the scale of its fund shortages widened from the previous year's of Rs. 245.5 billion to Rs. 323.1 billion.

## 2.2.5 Financial Corporation Sector

### 2.2.5.1 Fund-Raising

During the year 2013-14, the volume of fund-raising by the financial corporation's sector increased to Rs. 1,805.1 billion from the previous year's Rs. 1,509.6 billion. Looking at the pattern of fund-raising by financial institution type, fund-raising by insurance companies & pension funds (Rs. 71.4 billion - Rs. 125.6 billion), central bank (Rs. 162.5 billion - Rs. 691.9 billion) and fund raising by other financial corporations (Rs. -5.3 billion - Rs. 31.6 billion) expanded from the preceding year. Whereas fund raising by deposit taking corporations (Rs. 1,249.8 billion - Rs. 982.5 billion) and that by financial auxiliaries (Rs. 31.2 billion - Rs. -26.5 billion) decreased.

Table 2.14: Fund Raising by the Financial Corporations Sector

		(During Period - Million Rs.)				
		2009-10	2010-11	2011-12	2012-13	2013-14
<b>Fund Raising</b>		<b>1,211,501</b>	<b>1,122,720</b>	<b>1,300,055</b>	<b>1,509,576</b>	<b>1,805,110</b>
By	Central Bank	468,642	369,595	145,503	162,543	691,948
Financial	Deposit Taking Corp.	729,327	673,471	931,848	1,249,793	982,456
Inst. Type	Financial Auxiliaries	6,327	(4,045)	10,474	31,236	(26,549)
	Other Financial Corporations	(27,591)	14,537	135,569	(5,348)	31,608
	Insurance Com. & Pension Funds	34,797	69,162	76,661	71,353	125,647
By	Currency & Deposits	910,567	1,159,776	839,893	1,092,336	1,679,391
Financial	Debt Securities	1,963	4,273	10,379	(5,320)	(6,492)
Instrument	Borrowings from DTC's.	72,347	(23,246)	(56,058)	266,722	(123,761)
	Borrowings from Overseas	(7,200)	(12,837)	40,696	897	47,463
	Shares Capital	36,686	17,984	201,943	(11,931)	17,808
	Insurance & Technical Reserves	43,309	52,818	72,335	55,087	123,555
	Financial Derivative	1,485	(14,253)	(8,384)	69,711	(12,684)
	Other Accounts Payable	152,343	(61,796)	199,251	42,075	79,829

Looking at the pattern by financial instrument, the scale of fund-raising through debt securities (Rs. -5.3 billion - Rs. -6.5 billion), borrowings from domestic financial institutions (Rs. 266.7 billion - Rs. -123.8 billion) and financial derivative (Rs. 69.7 billion - Rs. -12.7 billion) decreased from the previous year. Whereas fund-raising through shares capital (Rs.

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

-11.9 billion - Rs. 17.8 billion), borrowing from overseas (Rs. 0.9 billion - Rs. 47.5 billion), currency & deposits (Rs. 1,092.3 billion - Rs. 1,679.4 billion) and other account payable (Rs. 42.1 billion - Rs. 79.8 billion) increased.

### 2.2.5.2 Fund Utilization

During 2013-14, the financial corporation sector's funds utilization increased from the Rs. 1,583.3 billion of the previous year to Rs. 1,930.8 billion. Viewing the scale of the financial corporation sector's funds utilization by type of financial institution, that of deposit taking corporations, financial auxiliaries and other financial corporations reduced by Rs. 247.6 billion, Rs. 57.6 billion and Rs. 15.9 billion respectively. On the other hand central bank increased sharply by Rs. 614.5 billion, funds utilized by insurance companies & pension funds was also increased by Rs. 54.1 billion.

Table 2.15: Fund Utilization by the Financial Corporations Sector

		(During Period - Million Rs.)				
Fund Utilization		2009-10	2010-11	2011-12	2012-13	2013-14
		1,256,017	1,292,603	1,281,161	1,583,262	1,930,845
By	Central Bank	451,051	348,655	49,225	162,224	776,743
Financial	Deposit taking Corporations.	762,442	827,264	984,724	1,270,408	1,022,828
Inst. Type	Financial Auxiliaries	1,009	(1,499)	10,606	30,780	(26,776)
	Other Financial Corporations	10,102	50,387	149,398	43,453	27,532
	Insurance Com & Pension Funds	31,414	67,797	87,209	76,397	130,517
By	Monetary Gold & SDR's	95,304	(14,169)	(14,957)	(9,388)	(5,362)
Financial	Currency & Deposits	123,551	252,650	(311,724)	(306,883)	552,929
Instrument	Debt Securities	666,273	1,048,354	1,124,713	1,435,019	877,530
	Loans Extended	238,966	(31,194)	202,856	318,179	308,796
	Shares Capital	11,237	26,549	161,745	(60,593)	110,062
	Insurance & Technical Reserves	3	(0)	2	(3)	2
	Financial Derivative	(3,415)	(16,373)	(10,188)	(7,161)	(21,285)
	Other Accounts Receivable	124,099	26,786	128,714	214,093	108,172

Viewing the pattern by type of financial instrument, the financial corporation sector's holdings of debt securities decreased sharply by Rs. 557.5 billion from Rs. 1,435.0 billion of the previous year to Rs. 877.5 billion. Similarly, loans extended decreased by Rs. 9.4 billion from Rs. 318.2 billion of the previous year to Rs. 308.8 billion. Moreover, its holdings of financial derivative and other accounts receivable also decreased. On the other hand, the financial corporation sector's holdings of share capital expanded by Rs. 170.7 billion from Rs. -60.6 during 2012-13 to Rs. 110.1 billion during 2013-14 and monetary gold & SDR's and currency & deposits also increased by Rs. 4.0 billion and Rs. 859.8 billion respectively.

### 2.2.5.3 Funds Supply to Non-Financial Sectors

During the year 2013-14, the volume of funds supplied to domestic non-financial sectors (non-financial corporations, government, households and NPISH) by financial corporations including the SBP decreased from the previous year's Rs. 1,503.2 billion to Rs. 1,466.3 billion. This was mainly attributable to decrease in purchase of securities from depository corporations.

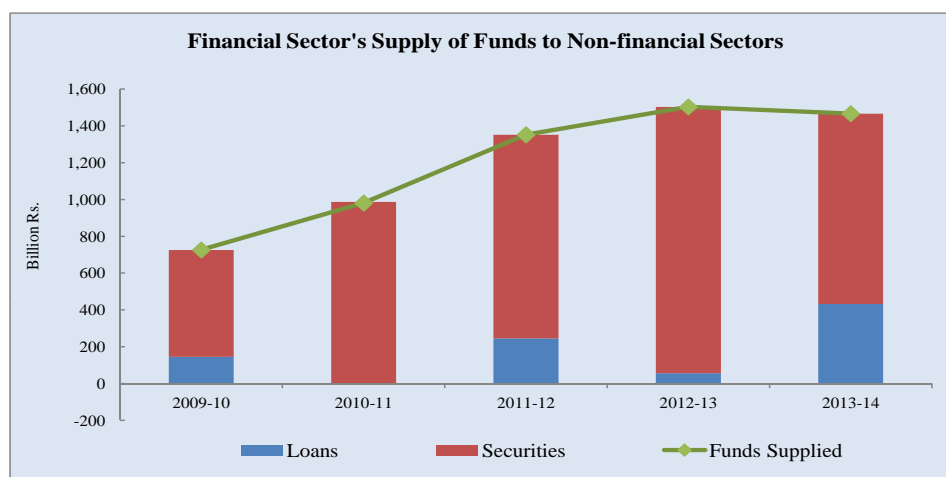


Figure 2.7: Financial Sector's Supply of Funds to Non-financial Sector

Viewing this by sector, funds supplied to non-financial corporation's (Rs. 1.1 billion - Rs. 467.8 billion) increased and that of funds supplied to government sector (Rs. 1,461.3 billion - Rs. 1,040.9 billion) and households & NPISH (Rs. 40.7 billion - Rs. -42.4 billion) decreased.

Table 2.16: Volume of Funds Supplied to Non-Financial Sectors by the Financial Sectors

		(During Period - Million Rs.)				
		2009-10	2010-11	2011-12	2012-13	2013-14
	<b>Funds Supplied<sup>1</sup></b>	<b>725,669</b>	<b>980,657</b>	<b>1,351,801</b>	<b>1,503,167</b>	<b>1,466,257</b>
By Sectors	Non-Financial Corporations	182,191	152,387	(4,602)	1,111	467,834
	Households	575,665	896,154	1,347,902	1,461,314	1,040,866
	Government Sector	(32,187)	(67,884)	8,502	40,741	(42,443)
By Financial Instrument	<b>Loans</b>	<b>144,636</b>	<b>(5,917)</b>	<b>244,804</b>	<b>55,714</b>	<b>431,510</b>
	<b>Percent</b>	<b>19.93</b>	<b>(0.60)</b>	<b>18.11</b>	<b>3.71</b>	<b>29.43</b>
By Financial Instrument	Depository Corporations.	133,504	89,916	224,601	65,288	468,753
	Other Financial Corporations.	11,132	(95,833)	20,203	(9,574)	(37,243)
	<b>Securities</b>	<b>581,033</b>	<b>986,574</b>	<b>1,106,997</b>	<b>1,447,453</b>	<b>1,034,746</b>
	<b>Percent</b>	<b>80.07</b>	<b>100.60</b>	<b>81.89</b>	<b>96.29</b>	<b>70.57</b>
	Depository Corporations.	513,096	718,833	512,737	953,099	301,766
	Other Financial Corporations.	67,937	267,740	594,260	494,354	732,980

Notes:

1) Securities and Loans



## INTEGRATED CAPITAL AND FINANCIAL ACCOUNT OF PAKISTAN

A sector's non-financial transactions generate changes in financial assets or liabilities. These changes are, in turn, recorded as the sector's financial transactions. This inter-relationship sets the stage for the development of the flow of funds account, which provides a record of non-financial and financial transactions among the main macroeconomic sectors in a consistent and comprehensive framework.

The integrated financial and capital account is a two dimension matrix that covers all institutional sectors and financial assets categories. For each sector and for the total economy, it presents net incurrence of liabilities (resources) and net acquisition of financial assets (uses). The account shows movements in financial assets and liabilities along with non-financial saving and investment of all sectors of economy.

The sectoral accounts of deposit taking corporations, financial auxiliaries, other financial corporations, money market fund, non money market fund, pension fund, Insurance, SBP, ROW, NFPSE's sector's accounts do not reflect any discrepancy between financial and non-financial lending and borrowing because the two sets of data sources are same, i.e. sectoral balance sheets using original source, while general government sector showing discrepancy of Rs. 597.6 billion and other resident sector which is residual sector shows discrepancy of Rs. -582.3 billion. This was because we used estimates of non-financial saving and investment for the compilation of the accounts as reported by Planning Commission of Pakistan and PBS.

CHAPTER 3. INTEGRATED CAPITAL AND FINANCIAL ACCOUNT OF PAKISTAN

Table 3.1: Integrated Capital & Financial Accounts

Million Rs

Transaction & Balancing Item	Financial Sectors							
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
<b>1 Saving less Inv. (2+5-7)</b>	<b>40,373</b>	<b>(227)</b>	<b>(7,340)</b>	<b>(3,980)</b>	<b>7,657</b>	<b>(412)</b>	<b>4,871</b>	<b>84,794</b>
<b>2 Saving, Gross</b>	<b>70,968</b>	<b>(91)</b>	<b>(7,132)</b>	<b>(3,980)</b>	<b>7,625</b>	<b>(412)</b>	<b>11,144</b>	<b>85,382</b>
3 Consumption of fixed capital	15,446	55	124	-	4	-	-	-
4 Net Saving (2 less 3)	55,523	(146)	(7,257)	(3,980)	7,621	(412)	11,144	85,382
<b>5 Capital transfers, net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>6 Current external balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7 Acq. less dis of fixed assets</b>	<b>30,595</b>	<b>136</b>	<b>207</b>	<b>-</b>	<b>(32)</b>	<b>-</b>	<b>6,273</b>	<b>588</b>
8 Gross fixed capital formation	31,189	124	248	-	(32)	-	(586)	426
9 Other non-financial assets	(593)	12	(41)	-	-	-	6,859	162
<b>10 Net lending/borrowing(11-29)</b>	<b>40,373</b>	<b>(227)</b>	<b>(7,340)</b>	<b>(3,980)</b>	<b>7,656</b>	<b>(412)</b>	<b>4,871</b>	<b>84,795</b>
<b>11 Net acquisition of fin. assets</b>	<b>1,022,828</b>	<b>(26,776)</b>	<b>2,027</b>	<b>4,678</b>	<b>19,227</b>	<b>1,600</b>	<b>130,517</b>	<b>776,743</b>
<b>12 Monetary gold and SDRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,362)</b>
<b>13 Currency and deposits</b>	<b>100,463</b>	<b>(28,742)</b>	<b>5,411</b>	<b>14,928</b>	<b>23,349</b>	<b>454</b>	<b>(9,506)</b>	<b>446,573</b>
14 Currency	33,122	513	(136)	-	(24)	-	(61)	3,150
15 Transferable deposits	58,528	(4,924)	3,413	11,305	13,685	450	(941)	443,423
16 Other deposits	8,813	(24,331)	2,134	3,623	9,688	4	(8,504)	-
<b>17 Debt Securities</b>	<b>277,483</b>	<b>(130)</b>	<b>(5)</b>	<b>(24,523)</b>	<b>873</b>	<b>354</b>	<b>142,308</b>	<b>481,170</b>
18 Short-term	(1,078,720)	(36)	1,061	(24,653)	(16,390)	(294)	4,656	481,511
19 Long-term	1,356,203	(94)	(1,066)	130	17,263	648	137,652	(341)
<b>20 Loans</b>	<b>546,750</b>	<b>1,790</b>	<b>5,488</b>	<b>3,871</b>	<b>(87)</b>	<b>-</b>	<b>(26,997)</b>	<b>(222,018)</b>
21 Short-term	434,385	1,822	6,006	(725)	(206)	-	57	(225,864)
22 Long-term	112,365	(32)	(518)	4,596	119	-	(27,054)	3,845
<b>23 Shares Capital</b>	<b>45,545</b>	<b>-</b>	<b>(10,364)</b>	<b>(183)</b>	<b>(5,612)</b>	<b>1,539</b>	<b>11,668</b>	<b>67,470</b>
<b>24 Financial derivatives</b>	<b>(20,161)</b>	<b>(77)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,046)</b>	<b>-</b>	<b>-</b>
<b>25 Insurance technical reserves</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(1)</b>
<b>26 Other accounts receivable</b>	<b>72,746</b>	<b>384</b>	<b>1,498</b>	<b>10,585</b>	<b>704</b>	<b>299</b>	<b>13,045</b>	<b>8,911</b>
27 Trade credits and advances	(12)	-	-	-	-	-	-	-
28 Other accounts receivable	72,758	384	1,498	10,585	704	299	13,045	8,911
<b>29 Net incurrence of liabilities</b>	<b>982,456</b>	<b>(26,549)</b>	<b>9,367</b>	<b>8,658</b>	<b>11,570</b>	<b>2,012</b>	<b>125,647</b>	<b>691,948</b>
<b>30 Monetary gold and SDRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>31 Currency and deposits</b>	<b>990,352</b>	<b>(3)</b>	<b>(23)</b>	<b>63</b>	<b>-</b>	<b>63</b>	<b>(855)</b>	<b>689,794</b>
32 Currency	-	-	-	-	-	-	-	267,766
33 Transferable deposits	878,202	-	-	-	-	-	-	429,050
34 Other deposits	112,151	(3)	(23)	63	-	63	(855)	(7,021)
<b>35 Debt Securities</b>	<b>(4,519)</b>	<b>(517)</b>	<b>(856)</b>	<b>(906)</b>	<b>-</b>	<b>(71)</b>	<b>377</b>	<b>-</b>

Continued on next page

Table 3.1 – continued from previous page

Million Rs

Transaction & Balancing Item	Financial Sectors							
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
36 Short-term	(0)	(517)	(758)	(901)	-	(76)	383	-
37 Long-term	(4,519)	-	(97)	(5)	-	5	(6)	-
<b>38 Loans</b>	<b>(81,670)</b>	<b>(1,052)</b>	<b>1,446</b>	<b>204</b>	<b>(5,207)</b>	<b>322</b>	<b>674</b>	<b>8,986</b>
39 Short-term	(85,573)	(1,053)	1,518	(62)	(3,156)	313	918	17,191
40 Long-term	3,902	1	(72)	266	(2,051)	9	(244)	(8,205)
<b>41 Shares Capital</b>	<b>10,177</b>	<b>1,050</b>	<b>7,203</b>	<b>(4,032)</b>	<b>(4,446)</b>	<b>2,374</b>	<b>5,482</b>	-
<b>42 Financial derivatives</b>	<b>(20,630)</b>	-	(3)	-	<b>(15,685)</b>	-	-	<b>23,634</b>
<b>43 Insurance technical reserves</b>	-	-	-	-	-	-	<b>123,555</b>	-
<b>44 Other accounts payable</b>	<b>88,746</b>	<b>(26,027)</b>	<b>1,600</b>	<b>13,330</b>	<b>36,908</b>	<b>(675)</b>	<b>(3,587)</b>	<b>(30,467)</b>
45 Trade credits and advances	-	-	-	-	-	-	-	-
46 Other accounts payable	88,746	(26,027)	1,600	13,330	36,908	(675)	(3,587)	(30,467)
<b>47 Statistical Discrepancy (1-10)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 3.1 continue....

Million Rs.

Transaction & Balancing Items	Non-Financial Sectors					
	NFC Pvt	NFC Pub	Govt.	HH	ROW	Total
<b>1 Saving less Inv. (2+5-7)</b>	<b>(27,506)</b>	<b>43,637</b>	<b>(450,890)</b>	<b>143,985</b>	<b>323,134</b>	<b>158,096</b>
<b>2 Saving, Gross</b>	<b>476,372</b>	<b>279,656</b>	<b>187,900</b>	<b>2,330,835</b>	<b>323,134</b>	<b>3,761,400</b>
3 Consumption of fixed capital	241,111	72,588	-	989,989	-	1,319,317
4 Net Saving (2 less 3)	235,261	207,068	187,900	1,340,846	323,134	2,442,083
<b>5 Capital transfers, net</b>	-	-	-	-	-	-
<b>6 Current external balance</b>	-	-	-	-	<b>323,134</b>	<b>323,134</b>
<b>7 Acq. less disposals of Fixed Assets</b>	<b>503,878</b>	<b>236,019</b>	<b>638,790</b>	<b>2,186,850</b>	-	<b>3,603,305</b>
8 Gross fixed capital formation	279,257	169,419	638,790	1,952,599	-	3,071,433
9 Other non-financial assets	224,621	66,600	-	234,251	-	531,871
<b>10 Net lending/net borrowing(11-29)</b>	<b>(27,506)</b>	<b>43,637</b>	<b>(1,048,451)</b>	<b>726,238</b>	<b>323,134</b>	<b>142,786</b>
<b>11 Net acq. of financial assets</b>	<b>1,030,037</b>	<b>598,263</b>	<b>936,031</b>	<b>950,096</b>	<b>633,914</b>	<b>6,079,187</b>
<b>12 Monetary gold and SDRs</b>	-	-	-	-	-	<b>(5,362)</b>
<b>13 Currency and deposits</b>	<b>291,432</b>	<b>56,863</b>	<b>537,493</b>	<b>796,541</b>	<b>(6,991)</b>	<b>2,228,267</b>
14 Currency	(14,122)	293	-	253,624	-	276,359
15 Transferable deposits	258,052	50,975	507,551	449,422	-	1,790,939
16 Other deposits	47,502	5,595	29,942	93,495	(6,991)	160,970
<b>17 Debt Securities</b>	<b>35,717</b>	<b>(4,878)</b>	<b>3,321</b>	<b>409,523</b>	<b>206,027</b>	<b>1,527,240</b>
18 Short-term	8,534	(2,888)	4,464	(45,463)	-	(668,217)
19 Long-term	27,183	(1,990)	(1,143)	454,986	206,027	2,195,458

Continued on next page

CHAPTER 3. INTEGRATED CAPITAL AND FINANCIAL ACCOUNT OF PAKISTAN

Table. 3.1 - continued from previous page

Million Rs.

Transaction & Balancing Items	Non-Financial Sectors					Total
	NFC Pvt	NFC Pub	Govt.	HH	ROW	
<b>20 Loans</b>	<b>271</b>	<b>(18,775)</b>	<b>14,122</b>	<b>2,216</b>	<b>52,426</b>	<b>359,057</b>
21 Short-term	1,354	(11,391)	9	167	-	205,615
22 Long-term	(1,083)	(7,384)	14,113	2,048	52,426	153,442
<b>23 Shares Capital</b>	<b>33,637</b>	<b>2,671</b>	<b>323,129</b>	<b>11,647</b>	<b>246,183</b>	<b>727,329</b>
<b>24 Financial derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,285)</b>
<b>25 Insurance technical reserves</b>	<b>404,300</b>	<b>(234)</b>	<b>-</b>	<b>(290,113)</b>	<b>-</b>	<b>113,955</b>
<b>26 Other accounts receivable</b>	<b>264,680</b>	<b>562,616</b>	<b>57,966</b>	<b>20,283</b>	<b>136,269</b>	<b>1,149,986</b>
27 Trade credits and advances	252,274	503,828	1,025	-	2,607	759,722
28 Other accounts receivable	12,406	58,788	56,941	20,283	133,662	390,264
<b>29 Net incurrence of liabilities</b>	<b>1,057,544</b>	<b>554,626</b>	<b>1,984,482</b>	<b>223,859</b>	<b>310,780</b>	<b>5,936,401</b>
<b>30 Monetary gold and SDRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,619)</b>	<b>(5,619)</b>
<b>31 Currency and deposits</b>	<b>5,164</b>	<b>67,009</b>	<b>(15,247)</b>	<b>-</b>	<b>315,116</b>	<b>2,051,433</b>
32 Currency	-	-	-	-	6,717	274,483
33 Transferable deposits	-	-	-	-	308,399	1,615,650
34 Other deposits	5,164	67,009	(15,247)	-	-	161,300
<b>35 Debt Securities</b>	<b>712</b>	<b>28,182</b>	<b>1,657,817</b>	<b>-</b>	<b>-</b>	<b>1,680,219</b>
36 Short-term	4,439	(1,027)	(527,987)	-	-	(526,444)
37 Long-term	(3,727)	29,209	2,185,804	-	-	2,206,664
<b>38 Loans</b>	<b>303,757</b>	<b>117,835</b>	<b>168,792</b>	<b>(41,932)</b>	<b>393</b>	<b>472,547</b>
39 Short-term	231,814	81,181	14,847	26,175	-	284,114
40 Long-term	71,943	36,654	153,945	(68,107)	393	188,434
<b>41 Shares Capital</b>	<b>447,013</b>	<b>336,962</b>	<b>-</b>	<b>-</b>	<b>10,828</b>	<b>812,611</b>
<b>42 Financial derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,684)</b>
<b>43 Insurance technical reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123,555</b>
<b>44 Other accounts payable</b>	<b>300,897</b>	<b>4,638</b>	<b>173,121</b>	<b>265,791</b>	<b>(9,938)</b>	<b>814,338</b>
45 Trade credits and advances	111,062	17,142	-	517,121	(5,939)	639,386
46 Other accounts payable	189,835	(12,504)	173,121	(251,330)	(3,999)	174,952
<b>47 Statistical Discrepancy (1-10)</b>	<b>0</b>	<b>0</b>	<b>597,561<sup>1</sup></b>	<b>(582,253)</b>	<b>0</b>	<b>15,310</b>

<sup>1</sup>Reason for these discrepancies is due to inconsistencies in methodologies used for preparation of estimates of gross fixed capital formation and gross saving published by Pakistan Bureau of Statistics and Planning Commission of Pakistan respectively.

## CAPITAL ACCOUNT

**T**his account records acquisitions and disposals of non-financial assets resulting from transactions with other units or internal book keeping transactions linked to production (own account capital formation, changes in inventories, and consumption of fixed capital), and measures the changes in net worth as a result of saving and capital transfers received from abroad. The balancing item is net lending or net borrowing, depending on whether saving plus capital transfers is less than the net acquisition of non-financial assets.

### 4.1 Savings

In the major capital account components, saving is the final balancing item of the current accounts, the part of disposable income that is not spent on final consumption of goods and services and therefore is available for acquisition of non- financial or financial assets or repayment of liabilities.

Saving is presented on both gross and net basis. The difference between gross and net saving is consumption of fixed capital. When positive, net saving represents that part of disposable income that is not spent on consumption goods and services and must, therefore, be used to acquire non-financial or financial assets of one kind or another, including cash, or to repay liabilities. When negative, net saving measures the amount by which final consumption expenditure exceeds disposable income: the excess must be financed by disposing of assets or incurring new liabilities.

## **4.2 Current External Balance**

Current external balance represents the balance with the rest of the world on exports and imports of goods and services, net primary income from abroad, and net current transfers from abroad. The current external balance is an integral part of an economy's saving and is equal in magnitude, but opposite in sign, to the domestic economy's net lending/net borrowing, and thus equal to the difference between an economy's saving plus net capital transfers and capital formation. It is also equal in magnitude, but opposite in sign, to the current account balance of the BOP.

## **4.3 Capital Transfers**

Capital transfers receivable/payable are unrequited transactions, which may be in kind or in cash. Capital transfers in kind arise when ownership of an asset other than inventories and cash is transferred from one unit to another or liabilities are canceled by a creditor (debt forgiveness). A transfer in cash is capital when it is linked to, or conditional on the acquisition or disposal of an asset (other than inventories or cash) by one or both parties to the transaction. Both capital transfer receivables and payable are recorded on the right side of the account because they directly affect net worth. A capital transfer receivable increases net worth, while a capital transfer payable reduces net worth. Capital transfers are often large and irregular but neither of these are necessary conditions for a transfer to be considered a capital rather than a current transfer. If there is doubt about whether a transfer should be treated as current or capital, it should be treated as current.

## **4.4 Changes in net worth due to Saving and Capital Transfers**

The total of the entries on the right-hand side of the account is explicitly shown and described as changes in net worth due to saving and capital transfers. It is not a balancing item. Changes in net worth due to saving and capital transfers represent the positive or negative amount available to the unit or sector for the acquisition of non-financial and financial assets.

## **4.5 Gross Capital Formation**

Gross capital formation shows the acquisition less disposal of produced assets for purposes of fixed capital formation, inventories or valuables. Gross capital formation is measured by the

total value of the gross fixed capital formation, changes in inventories and acquisitions less disposals of valuables.

### **4.5.1 Gross Fixed Capital Formation**

Gross fixed capital formation includes acquisitions less disposals of new and existing fixed assets. Fixed assets are tangible and intangible assets created as outputs of production processes that are used repeatedly in production for a period of more than a year. Consumption of fixed capital during the accounting period is shown as a separate item, consumption of fixed capital rather than as disposal of an asset.

**Dwellings** are buildings, or designated parts of buildings, that are used entirely or primarily as residences, including any associated structures, such as garages, and all permanent fixtures customarily installed in residences. Houseboats, barges, mobile homes and caravans used as principal residences of households are also included, as are public monuments identified primarily as dwellings.

**Other buildings and structures** comprise of non-residential buildings, other structures and land improvements. Buildings other than dwellings include whole buildings or parts of buildings not designated as dwellings. Fixtures, facilities and equipment that are integral parts of the structures are included.

**Machinery and equipment** cover transport equipment, machinery for information, communication and telecommunications (ICT) equipment, and other machinery and equipment.

**Weapons systems** include vehicles and other equipment such as warships, submarines, military aircraft, tanks, missile carriers and launchers, etc.

**Cultivated biological resources** cover animal resources yielding repeat products and tree, crop and plant resources yielding repeat products whose natural growth and regeneration are under the direct control, responsibility and management of institutional units.

**Intellectual property products** are the result of research, development, investigation or innovation leading to knowledge that the developers can market or use to their own benefit in production because use of the knowledge is restricted by means of legal or other protection. Examples of intellectual property products are the results of research and development, mineral exploration and evaluation, computer software and databases, and entertainment, literary or

artistic originals. They are characterized by the fact that most of their value is attributable to intellectual endeavor.

### **4.5.2 Changes in Inventories & Valuables**

Change in inventories comprises the value of the inventories acquired by an enterprise less the value of the inventories disposed of during an accounting period. Acquisitions less disposals of valuables refers to net transactions in goods (artwork, antiques, numismatic coins of precious metal, etc.) that are held as stores of value over time or to realize holding gains.

**Materials and supplies** consist of all products that an enterprise holds in inventory with the intention of using them as intermediate inputs into production.

**Work-in-progress** consists of output produced by an enterprise that is not yet sufficiently processed to be in a state in which it is normally supplied to other institutional units.

**Finished goods** consist of goods produced as outputs that their producer does not intend to process further before supplying them to other institutional units.

**Military inventories** consist of single-use items, such as ammunition, missiles, rockets, bombs, etc., delivered by weapons or weapons systems.

**Goods for resale** are goods acquired by enterprises, such as wholesalers or retailers, for the purpose of reselling them to their customers.

### **4.5.3 Acquisitions less Disposals of Valuables**

Valuables include precious metals and stones, antiques and other art objects and other valuables. However, not all items that may be described by one of these titles should necessarily be included as a valuable in the balance sheet of the owner. The intent of the heading is to capture those items that are often regarded as alternative forms of investment.

**Precious metals and stones** are treated as valuables when they are not held by enterprises for sale or use as inputs into processes of production nor are held as monetary gold and are not held as a financial asset in the form of un-allocated metal accounts.



**Antiques and other art objects** such as Paintings, sculptures, etc., recognized as works of art and antiques are treated as valuables when they are not held by enterprises for sale.

**Other valuables** not elsewhere classified include such items as collections of stamps, coins, china, books etc. that have a recognized market value and fine jewelery, fashioned out of precious stones, and metals of significant and realizable value.

## 4.6 Consumption of Fixed Capital Expenditure

Consumption of fixed capital reflects the decline in the value of the stock of fixed assets used in production as a result of physical deterioration, normal obsolescence and normal accidental damage. It excludes the value of fixed assets destroyed by acts of war or exceptional events such as natural disasters. Gross fixed capital formation less consumption of fixed capital equals net fixed capital formation.

## 4.7 Changes in Non-produced Assets

Acquisitions less disposals of non-produced non-financial assets refers to acquisitions less disposals of land, other non-produced tangible assets (e.g. subsoil assets) and intangible non-produced assets (e.g. patented entities, leases and purchased goodwill). Net lending/net borrowing is the balancing item of the capital account, calculated as net saving plus capital transfers receivable less capital transfers payable less acquisition less disposals of non-produced non-financial assets. The net resources available to an economy or sector from saving and net capital transfers that are not used for capital accumulation are the amount of resources available for net acquisition of financial assets, that is, net lending.

**Natural Resources** consist of Land, Mineral and energy resources, Non-cultivated biological resources, Water resources.

**Contracts, leases and licenses** are treated as assets only when the terms of the contract, lease or license specify a price for the use of an asset or provision of a service that differs from the price that would prevail in the absence of the contract, lease or license. and One party to the contract must be able legally and practically to realize this price difference. There are four classes of contracts, leases and licenses considered to be assets in the SNA: marketable operating leases, permits to use natural resources, permits to undertake specific activities and entitlement to future goods and services on an exclusive basis.

**Goodwill** is the potential purchasers of an enterprise that are often prepared to pay a premium above the net value of its individually identified and valued assets and liabilities. Marketing assets consist of items such as brand names, mastheads, trademarks, logos and domain names.

## 4.8 Statistical Discrepancy

The statistical discrepancy could be raised due to any of the following reasons:

1. Statistical discrepancy for a sector indicates the extent to which net lending/borrowing differs from the financial surplus/deficit for that sector. Net financial investment is always equal in concept to net lending/borrowing.
2. Discrepancy can arise in practice because of gaps in coverage or non measurement of any of the items in the full sequence of accounts.
3. Statistical discrepancy is mainly attributable to data deficiencies in terms of reporting, coverage, classification, timing, valuation, etc.
4. The raising up of various assets/liabilities items on the basis of paid-up capital/sanctions by the Securities & Exchange Commission of Pakistan may be responsible for various discrepancies.
5. The flow of funds accounts have been drawn on June 30<sup>th</sup> basis. To match the resources and uses, it is necessary that all the data should relate to this date which is not the case. Sectors as well as constituent units of the sector may not follow uniform accounting periods. Joint stock companies adopt different accounting periods and deposit money institutions, insurance companies and non-bank financial institutions mostly publish their accounts on calendar year basis.

## 4.9 Capital Account of Pakistan

The compilation of non financial savings, investment (Capital accounts) is the portfolio of the Government of Pakistan, while the compilation of financial accounts is the responsibility of State Bank Pakistan (SBP). The full set of flow of funds accounts comprises of financial accounts, capital accounts and integration of the both. There are data limitations in the construction of capital accounts of Pakistan, as savings and investment data compiled by Planning Commission of Pakistan is not fully harmonized with transaction and sectorization of SNA-2008, while FOF financial accounts compiled by SBP are according to the classifications of SNA-2008.

The data limitation is partially overcome by compiling the savings of insurance, deposit money institutions, other depository corporations, other financial intermediaries, money market fund, non money market fund, pension fund, central bank, non-financial public and private corporations by using the data released through annual reports of these institutions. Total saving & investment for the whole economy and related to general government is used as reported by these government agencies, while saving and investment compiled for the financial and non-financial corporations is adjusted in the household sector. The savings related to Rest of the World sector is estimated as current account balance of BoP but with opposite sign.

The Capital Account of Pakistan 2013-14 shows gross savings related to all sectors of the domestic economy and Rest of the World. The saving of Rs. 2,330.8 billion is related to other resident sector including household & NPISH's. While the savings related to Rest of the World sector are estimated as current account deficit of Rs. 323.1 billion, as reported in BOP.

The general government sector comprising of Federal, Provincial Governments and NPI's, showing a composite saving of Rs. 187.9 billion and gross capital formation of Rs. 638.8 billion compared to Rs. -221.4 billion and Rs. 502.7 billion in FY13, with net deficit of Rs. 597.6 billion (Rs. 976.4.0 billion in FY13). The resources gap was largely met through issue of Treasury Bills and acquired loans and advances from rest of the world sector. The non-financial private corporate sector recorded gross savings of Rs. 476.4 billion while the gross capital formation amounted to Rs. 279.3 billion resulting in a deficit of Rs. 27.5 billion. The other resident sector shows a surplus/lending of Rs. 144.0 billion and recorded a statistical discrepancy of Rs. 582.3 billion compared to deficit of Rs. 713.2 billion and Rs. 897.0 billion in FY13.

The estimates of provision for fixed capital consumption, gross fixed capital formation and change in stocks for economy as a whole have been taken from the National Accounts of Pakistan compiled by the Pakistan Bureau of Statistics. They do not, however, show the statistical discrepancy in the national accounts estimates. Further, national saving for the economy as a whole compiled by Planning Commission of Pakistan has been used. The gross capital formation and saving in respect to non-corporate and households sector (other resident sector) have been taken as the residual on the basis of the national accounts estimates for the economy.

The sectors of domestic economy including SBP, deposit taking corporations, non money market fund, insurance and other resident sector of the domestic economy and rest of the world sector remained (surplus) net lender while general government, non-financial public and private

## CHAPTER 4. CAPITAL ACCOUNT

corporations remained net borrower. The overall economy remained in surplus in FY14, with inflow (borrowing) of Rs. 323.1 billion from rest of the world sector compared to inflow of Rs. 245.5 billion in FY13 leaving Rs -15.3 billion statistical discrepancy in FY14.

Table 4.1: Capital Account of Pakistan

Transaction and Balancing Items	Financial Sectors							
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
	Million Rs.							
<b>01 Saving, Gross ( 2 plus 3)</b>	<b>70,968</b>	<b>(91)</b>	<b>(7,132)</b>	<b>(3,980)</b>	<b>7,625</b>	<b>(412)</b>	<b>11,144</b>	<b>85,382</b>
02 Retain earning	61,481	(102)	(418)	2,515	(9,358)	(412)	4,096	-
03 General & Special Reserve	9,487	11	(6,714)	(6,495)	16,982	-	7,048	85,382
<b>04 Consumption of fixed capital</b>	<b>15,446</b>	<b>55</b>	<b>124</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>05 Net Saving (1 less 4)</b>	<b>55,523</b>	<b>(146)</b>	<b>(7,257)</b>	<b>(3,980)</b>	<b>7,621</b>	<b>(412)</b>	<b>11,144</b>	<b>85,382</b>
<b>06 Current external balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>07 Acq. less disp of Fixed Assets</b>	<b>30,595</b>	<b>136</b>	<b>207</b>	<b>-</b>	<b>(32)</b>	<b>-</b>	<b>6,273</b>	<b>588</b>
<b>08 Gross fixed capital formation</b>	<b>31,189</b>	<b>124</b>	<b>248</b>	<b>-</b>	<b>(32)</b>	<b>-</b>	<b>(586)</b>	<b>426</b>
<b>09 Acq less disp of tangible fixed assets</b>	<b>31,189</b>	<b>124</b>	<b>248</b>	<b>-</b>	<b>(32)</b>	<b>-</b>	<b>(586)</b>	<b>426</b>
<b>10 Acq of new tangible fixed assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11 Acq of existing tangible fixed assets</b>	<b>34,655</b>	<b>124</b>	<b>160</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>885</b>	<b>1,176</b>
12 Dwelling, Buildings & Structure	14,331	54	0	-	-	-	-	73
13 Machinery	13,794	66	153	-	7	-	844	1,079
14 Weapons System	-	-	-	-	-	-	-	-
15 Cultivated Biological Resources	-	-	-	-	-	-	-	-
16 Intellectual property products	6,529	4	6	-	-	-	41	25
<b>17 Disp of existing tangible fixed assets</b>	<b>3,466</b>	<b>-</b>	<b>(88)</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>1,471</b>	<b>751</b>
18 Dwelling, Buildings & Structure	4,273	-	14	-	36	-	194	4
19 Machinery	(1,174)	-	-	-	-	-	1,267	729
20 Weapons System	-	-	-	-	-	-	-	-
21 Cultivated Biological Resources	-	-	-	-	-	-	-	-
22 Intellectual property products	368	-	(103)	-	3	-	10	18
<b>23 Acq less disp of intangible fixed assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
24 Acq of new intangible fixed assets	-	-	-	-	-	-	-	-
25 Acq of existing intangible fixed assets	-	-	-	-	-	-	-	-
26 Disp of existing intangible fixed assets	-	-	-	-	-	-	-	-
<b>27 Add to the value of non-produced NFA</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
28 Major improvements	-	-	-	-	-	-	-	-
29 Costs of ownership transfer	-	-	-	-	-	-	-	-
<b>30 Changes in inventories</b>	<b>-</b>	<b>-</b>	<b>(47)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>
<b>31 Acq less disposals of valuables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>156</b>
<b>32 Acq less disp of non-produced NFA</b>	<b>(593)</b>	<b>12</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,859</b>	<b>(1)</b>

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## 4.9. CAPITAL ACCOUNT OF PAKISTAN

Table 4.1 – continued from previous page

		Million Rs.							
Transaction and Balancing Items		Financial Sectors							SBP
		DTC	Fa	OFI	MMF	NMMF	PF	IC	
33	Acq less disp of land and tangible NPA	(334)	4	7	-	-	-	6,859	(1)
34	Acq less disp of intangible NPA	(259)	8	(1)	-	-	-	-	-
<b>35</b>	<b>Capital transfers, receivable</b>	-	-	-	-	-	-	-	-
36	Capital taxes	-	-	-	-	-	-	-	-
37	Investment grants	-	-	-	-	-	-	-	-
38	Other capital transfers	-	-	-	-	-	-	-	-
<b>39</b>	<b>Capital transfers, payable</b>	-	-	-	-	-	-	-	-
40	Capital taxes	-	-	-	-	-	-	-	-
41	Investment grants	-	-	-	-	-	-	-	-
42	Other capital transfers	-	-	-	-	-	-	-	-
<b>43</b>	<b>Net Surplus/Deficit (5+35-39-7)</b>	<b>40,373</b>	<b>(227)</b>	<b>(7,340)</b>	<b>(3,980)</b>	<b>7,657</b>	<b>(412)</b>	<b>4,871</b>	<b>84,794</b>
<b>44</b>	<b>Changes in net worth</b>	<b>55,523</b>	<b>(146)</b>	<b>(7,257)</b>	<b>(3,980)</b>	<b>7,621</b>	<b>(412)</b>	<b>11,144</b>	<b>85,382</b>
<b>45</b>	<b>FOF Net lending/borrowing</b>	<b>40,373</b>	<b>(227)</b>	<b>(7,340)</b>	<b>(3,980)</b>	<b>7,656</b>	<b>(412)</b>	<b>4,871</b>	<b>84,795</b>
<b>46</b>	<b>Statistical Discrepancy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 4.1 continue...

		Million Rupees					
Transaction and Balancing Items		Non-Financial Sectors					Total
		NFC Pvt	NFC Pub	Govt.	HH	ROW	
<b>01</b>	<b>Saving, Gross ( 2 plus 3)</b>	<b>476,372</b>	<b>279,656</b>	<b>187,900</b>	<b>2,330,835</b>	<b>323,134</b>	<b>3,761,400</b>
02	Retain earning	236,964	123,063	-	-	-	417,829
03	General & Special Reserve	239,408	156,593	187,900	2,330,835	323,134	3,343,571
<b>04</b>	<b>Consumption of fixed capital</b>	<b>241,111</b>	<b>72,588</b>	-	<b>989,989</b>	-	<b>1,319,317</b>
<b>05</b>	<b>Net Saving (1 less 4)</b>	<b>235,261</b>	<b>207,068</b>	<b>187,900</b>	<b>1,340,846</b>	<b>323,134</b>	<b>2,442,083</b>
<b>06</b>	<b>Current external balance</b>	-	-	-	-	<b>323,134</b>	<b>323,134</b>
<b>07</b>	<b>Acq. less disp of Fixed Assets</b>	<b>503,878</b>	<b>236,019</b>	<b>638,790</b>	<b>2,186,850</b>	-	<b>3,603,305</b>
<b>08</b>	<b>Gross fixed capital formation</b>	<b>279,257</b>	<b>169,419</b>	<b>638,790</b>	<b>1,952,599</b>	-	<b>3,071,433</b>
<b>09</b>	<b>Acq less disp of tangible fixed assets</b>	<b>279,257</b>	<b>169,419</b>	<b>638,790</b>	<b>1,952,599</b>	-	-
<b>10</b>	<b>Acq of new tangible fixed assets</b>	-	-	-	-	-	-
<b>11</b>	<b>Acq of existing tangible fixed assets</b>	<b>555,491</b>	<b>171,114</b>	<b>638,790</b>	<b>1,952,599</b>	-	<b>3,355,000</b>
12	Dwelling, Buildings & Structure	28,998	18,661	-	-	-	-
13	Machinery	496,084	121,985	-	-	-	-
14	Weapons System	4	1	-	-	-	-
15	Cultivated Biological Resources	11,438	-	-	-	-	-
16	Intellectual property products	18,967	30,467	-	-	-	-
<b>17</b>	<b>Disp of existing tangible fixed assets</b>	<b>276,234</b>	<b>1,695</b>	-	-	-	<b>283,567</b>

Continued on next page

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Table 4.1 - continued from previous page

		Non-Financial Sectors					Million Rupees
Transaction and Balancing Items		NFC Pvt	NFC Pub	Govt.	HH	ROW	Total
18	Dwelling, Buildings & Structure	4,660	201	-	-	-	-
19	Machinery	254,412	1,260	-	-	-	-
20	Weapons System	-	-	-	-	-	-
21	Cultivated Biological Resources	6	-	-	-	-	-
22	Intellectual property products	17,156	234	-	-	-	-
<b>23</b>	<b>Acq less disp of intangible fixed assets</b>	-	-	-	-	-	-
24	Acq of new intangible fixed assets	-	-	-	-	-	-
25	Acq of existing intangible fixed assets	-	-	-	-	-	-
26	Disp of existing intangible fixed assets	-	-	-	-	-	-
<b>27</b>	<b>Add to the value of non-produced NFA</b>	-	-	-	-	-	-
28	Major improvements	-	-	-	-	-	-
29	Costs of ownership transfer	-	-	-	-	-	-
<b>30</b>	<b>Changes in inventories</b>	<b>124,531</b>	<b>47,659</b>		<b>234,251</b>		<b>406,400</b>
<b>31</b>	<b>Acq less disposals of valuables</b>	<b>446</b>	-	-	-	-	<b>603</b>
<b>32</b>	<b>Acq less disp of non-produced NFA</b>	<b>99,644</b>	<b>18,941</b>	-	-	-	<b>124,868</b>
33	Acq less disp of land and tangible NPA	21,506	19,729	-	-	-	47,770
34	Acq less disp of intangible NPA	78,138	(788)	-	-	-	77,098
<b>35</b>	<b>Capital transfers, receivable</b>	-	-	-	-	-	-
36	Capital taxes	-	-	-	-	-	-
37	Investment grants	-	-	-	-	-	-
38	Other capital transfers	-	-	-	-	-	-
<b>39</b>	<b>Capital transfers, payable</b>	-	-	-	-	-	-
40	Capital taxes	-	-	-	-	-	-
41	Investment grants	-	-	-	-	-	-
42	Other capital transfers	-	-	-	-	-	-
<b>43</b>	<b>Net Surplus/Deficit (5+35-39-7)</b>	<b>(27,506)</b>	<b>43,637</b>	<b>(450,890)</b>	<b>143,985</b>	<b>323,134</b>	<b>158,096</b>
<b>44</b>	<b>Changes in net worth</b>	<b>235,261</b>	<b>207,068</b>	<b>187,900</b>	<b>1,340,846</b>	<b>323,134</b>	<b>2,442,083</b>
<b>45</b>	<b>FOF Net lending/borrowing</b>	<b>(27,506)</b>	<b>43,637</b>	<b>(1,048,451)</b>	<b>726,238</b>	<b>323,134</b>	<b>142,786</b>
<b>46</b>	<b>Statistical Discrepancy</b>	<b>0</b>	<b>0</b>	<b>(597,561)</b> <sup>1</sup>	<b>582,253</b>	<b>0</b>	<b>(15,310)</b>

<sup>1</sup> Reason for these discrepancies is due to inconsistencies in methodologies used for preparation of estimates of gross fixed capital formation and gross saving published by Pakistan Bureau of Statistics and Planning Commission of Pakistan respectively.

## FINANCIAL ACCOUNT

**F**inancial account shows financial transactions among domestic institutional units and between domestic units and the rest of the world. Financial transactions cover all transactions involving change of ownership of financial assets, including the creation and liquidation of financial claims. Net lending/borrowing equals net acquisition of financial assets less net incurrence of liabilities.

**Financial Assets:** Entities over which ownership rights are enforced by institutional units and from which economic benefits may be derived in the form of holding gains or property income.

**Financial Liabilities:** These are financial obligations of institutional units placed against financial assets of other units. Although financial account shows the net financial assets acquired and the net liabilities incurred by type of financial asset and by sector, the account does not link specific assets to specific liabilities. Net lending/borrowing is carried forward to the financial account as a resource. Within this framework, net incurrence of financial liabilities is treated as a source of funds, and the total of net lending/borrowing and net incurrence of liabilities can be used for net acquisition of financial assets as a use of funds.

The financial accounts of Pakistan 2013-14 shows main sectors & sub sectors, main financial assets and liabilities including, monetary gold & SDR's, currency & deposits, securities other than shares, loans, share & equity, insurance technical reserves and accounts receivable/payable.

The balancing entry on top of the accounts shows net lending/net borrowing, i.e. change in assets acquired less change in liabilities incurred, because incurrence of liabilities reflects sources of funds while acquisition of assets shows uses of funds. The accounts record acquisition of assets in the first part of accounts and changes in liabilities in the second part of the accounts, showing incurrence of liabilities to the sectors.

Deposit taking corporations sector was surplus and net lender of Rs. 40.4 billion (Rs. 20.6 billion in FY13), as it incurred net liability of Rs. 982.5 billion mainly through deposits of Rs. 990.4 billion and acquired net financial assets of Rs. 1,022.8 billion mainly through loans of Rs. 546.8 billion. The central bank incurred net financial liability of Rs. 691.9 billion and acquired net financial assets of Rs. 776.7 billion and have surplus of Rs. 84.8 billion (Rs. 0.3 billion deficit in FY13).

The non financial private sector showed net borrowing of Rs. 27.5 billion (Rs. 4.4 billion in FY13), by incurrence of net financial liability of Rs. 1,057.5 billion, it placed Rs. 291.4 billion as deposits financial institutions and Rs. 252.3 billion of trade credits from other sectors of economy during 2013-14.

In FY14 federal government remained deficit and the largest net borrower in the economy of Rs. 1,227.4 billion (Rs. 1,749.6 billion in FY12) and incurred net liability of Rs. 1,970.9 billion mainly by issuing long term securities net of Rs. 2,185.8 billion and acquired net financial assets of Rs. 743.5 billion. The sectoral data may be under estimated as the data has been compiled by using related data of different sectors.

The other resident sector including household & NPISH remained surplus and the largest lender sector of the domestic economy providing Rs. 726.2 billion (Rs. 1,610.1 billion in FY13). This is the residual sector and having cross sector data including leftover. It maintained currency & deposits of Rs. 796.5 billion and acquired loan & advances of Rs. 2.2 billion.

Rest of the World sector shows surplus/net lender to the domestic economy by Rs. 323.1 billion (Rs. 245.5 billion surplus in FY13) as it reduced net liability of Rs. 7.0 billion through transferable deposits of SBP. This sector invested Rs. 246.2 billion in shares & equity of the domestic economy.



Table 5.1: Financial Account of Pakistan

Million Rupees

Transaction and Balancing Items	Financial Sectors							
	DMI	Fa	OFI	MMF	NMMF	PF	IC	SBP
<b>1 Net lending/borrowing (2-20)</b>	<b>40,373</b>	<b>(227)</b>	<b>(7,340)</b>	<b>(3,980)</b>	<b>7,656</b>	<b>(412)</b>	<b>4,871</b>	<b>84,795</b>
<b>2 Net acq of financial assets</b>	<b>1,022,828</b>	<b>(26,776)</b>	<b>2,027</b>	<b>4,678</b>	<b>19,227</b>	<b>1,600</b>	<b>130,517</b>	<b>776,743</b>
<b>3 Monetary gold and SDRs</b>	-	-	-	-	-	-	-	<b>(5,362)</b>
<b>4 Currency and deposits</b>	<b>100,463</b>	<b>(28,742)</b>	<b>5,411</b>	<b>14,928</b>	<b>23,349</b>	<b>454</b>	<b>(9,506)</b>	<b>446,573</b>
5 Currency	33,122	513	(136)	-	(24)	-	(61)	3,150
6 Interbank Position	-	-	-	-	-	-	-	-
7 Transferable deposits	58,528	(4,924)	3,413	11,305	13,685	450	(941)	443,423
8 Other deposits	8,813	(24,331)	2,134	3,623	9,688	4	(8,504)	-
<b>9 Debt Securities</b>	<b>277,483</b>	<b>(130)</b>	<b>(5)</b>	<b>(24,523)</b>	<b>873</b>	<b>354</b>	<b>142,308</b>	<b>481,170</b>
10 Short-term	(1,078,720)	(36)	1,061	(24,653)	(16,390)	(294)	4,656	481,511
11 Long-term	1,356,203	(94)	(1,066)	130	17,263	648	137,652	(341)
<b>12 Loans</b>	<b>546,750</b>	<b>1,790</b>	<b>5,488</b>	<b>3,871</b>	<b>(87)</b>	-	<b>(26,997)</b>	<b>(222,018)</b>
13 Short-term	434,385	1,822	6,006	(725)	(206)	-	57	(225,864)
14 Long-term	112,365	(32)	(518)	4,596	119	-	(27,054)	3,845
<b>15 Shares Capital</b>	<b>45,545</b>	-	<b>(10,364)</b>	<b>(183)</b>	<b>(5,612)</b>	<b>1,539</b>	<b>11,668</b>	<b>67,470</b>
<b>16 Financial derivatives</b>	<b>(20,161)</b>	<b>(77)</b>	-	-	-	<b>(1,046)</b>	-	-
<b>17 Insurance technical reserves</b>	<b>3</b>	-	-	-	-	-	<b>0</b>	<b>(1)</b>
<b>18 Other accounts receivable</b>	<b>72,746</b>	<b>384</b>	<b>1,498</b>	<b>10,585</b>	<b>704</b>	<b>299</b>	<b>13,045</b>	<b>8,911</b>
19 Trade credits and advances	(12)	-	-	-	-	-	-	-
20 Other accounts receivable	72,758	384	1,498	10,585	704	299	13,045	8,911
<b>21 Net incurrence of liabilities</b>	<b>982,456</b>	<b>(26,549)</b>	<b>9,367</b>	<b>8,658</b>	<b>11,570</b>	<b>2,012</b>	<b>125,647</b>	<b>691,948</b>
<b>22 Monetary gold and SDRs</b>	-	-	-	-	-	-	-	-
<b>23 Currency and deposits</b>	<b>990,352</b>	<b>(3)</b>	<b>(23)</b>	<b>63</b>	-	<b>63</b>	<b>(855)</b>	<b>689,794</b>
24 Currency	-	-	-	-	-	-	-	267,766
25 Interbank Position	-	-	-	-	-	-	-	-
26 Transferable deposits	878,202	-	-	-	-	-	-	429,050
27 Other deposits	112,151	(3)	(23)	63	-	63	(855)	(7,021)
<b>28 Debt Securities</b>	<b>(4,519)</b>	<b>(517)</b>	<b>(856)</b>	<b>(906)</b>	-	<b>(71)</b>	<b>377</b>	-
29 Short-term	(0)	(517)	(758)	(901)	-	(76)	383	-
30 Long-term	(4,519)	-	(97)	(5)	-	5	(6)	-
<b>31 Loans</b>	<b>(81,670)</b>	<b>(1,052)</b>	<b>1,446</b>	<b>204</b>	<b>(5,207)</b>	<b>322</b>	<b>674</b>	<b>8,986</b>
32 Short-term	(85,573)	(1,053)	1,518	(62)	(3,156)	313	918	17,191
33 Long-term	3,902	1	(72)	266	(2,051)	9	(244)	(8,205)
<b>34 Shares Capital</b>	<b>10,177</b>	<b>1,050</b>	<b>7,203</b>	<b>(4,032)</b>	<b>(4,446)</b>	<b>2,374</b>	<b>5,482</b>	-
<b>35 Financial derivatives</b>	<b>(20,630)</b>	-	<b>(3)</b>	-	<b>(15,685)</b>	-	-	<b>23,634</b>

Continued on next page

## CHAPTER 5. FINANCIAL ACCOUNT

Table 5.1 – continued from previous page

		Financial Sectors							Million Rupees
Transaction and Balancing Items		DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
<b>36</b>	<b>Insurance technical reserves</b>	-	-	-	-	-	-	<b>123,555</b>	-
<b>37</b>	<b>Other accounts payable</b>	<b>88,746</b>	<b>(26,027)</b>	<b>1,600</b>	<b>13,330</b>	<b>36,908</b>	<b>(675)</b>	<b>(3,587)</b>	<b>(30,467)</b>
38	Trade credits and advances	-	-	-	-	-	-	-	-
39	Other accounts payable	88,746	(26,027)	1,600	13,330	36,908	(675)	(3,587)	(30,467)

Table 5.1 continue...

		Non-Financial Sectors							Million Rupees
Transaction and Balancing Items		NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW	Total	
<b>1</b>	<b>Net lending/borrowing (2-20)</b>	<b>(27,506)</b>	<b>43,637</b>	<b>178,958</b>	<b>(1,227,409)</b>	<b>726,238</b>	<b>323,134</b>	<b>142,786</b>	
<b>2</b>	<b>Net acq of financial assets</b>	<b>1,030,037</b>	<b>598,263</b>	<b>192,501</b>	<b>743,530</b>	<b>950,096</b>	<b>633,914</b>	<b>6,079,187</b>	
<b>3</b>	<b>Monetary gold and SDRs</b>	-	-	-	-	-	-	<b>(5,362)</b>	
<b>4</b>	<b>Currency and deposits</b>	<b>291,432</b>	<b>56,863</b>	<b>188,675</b>	<b>348,818</b>	<b>796,541</b>	<b>(6,991)</b>	<b>2,228,267</b>	
5	Currency	(14,122)	293	-	-	253,624	-	276,359	
6	Interbank Position	-	-	-	-	-	-	-	
7	Transferable deposits	258,052	50,975	174,716	332,834	449,422	-	1,790,939	
8	Other deposits	47,502	5,595	13,959	15,983	93,495	(6,991)	160,970	
<b>9</b>	<b>Debt Securities</b>	<b>35,717</b>	<b>(4,878)</b>	-	<b>3,321</b>	<b>409,523</b>	<b>206,027</b>	<b>1,527,240</b>	
10	Short-term	8,534	(2,888)	-	4,464	(45,463)	-	(668,217)	
11	Long-term	27,183	(1,990)	-	(1,143)	454,986	206,027	2,195,458	
<b>12</b>	<b>Loans</b>	<b>271</b>	<b>(18,775)</b>	<b>2,067</b>	<b>12,055</b>	<b>2,216</b>	<b>52,426</b>	<b>359,057</b>	
13	Short-term	1,354	(11,391)	-	9	167	-	205,615	
14	Long-term	(1,083)	(7,384)	2,067	12,046	2,048	52,426	153,442	
<b>15</b>	<b>Shares Capital</b>	<b>33,637</b>	<b>2,671</b>	<b>1,759</b>	<b>321,370</b>	<b>11,647</b>	<b>246,183</b>	<b>727,329</b>	
<b>16</b>	<b>Financial derivatives</b>	-	-	-	-	-	-	<b>(21,285)</b>	
<b>17</b>	<b>Insurance technical reserves</b>	<b>404,300</b>	<b>(234)</b>	-	-	<b>(290,113)</b>	-	<b>113,955</b>	
<b>18</b>	<b>Other accounts receivable</b>	<b>264,680</b>	<b>562,616</b>	-	<b>57,966</b>	<b>20,283</b>	<b>136,269</b>	<b>1,149,986</b>	
19	Trade credits and advances	252,274	503,828	-	1,025	-	2,607	759,722	
20	Other accounts receivable	12,406	58,788	-	56,941	20,283	133,662	390,264	
<b>21</b>	<b>Net incurrence of liabilities</b>	<b>1,057,544</b>	<b>554,626</b>	<b>13,543</b>	<b>1,970,939</b>	<b>223,859</b>	<b>310,780</b>	<b>5,936,401</b>	
<b>22</b>	<b>Monetary gold and SDRs</b>	-	-	-	-	-	<b>(5,619)</b>	<b>(5,619)</b>	
<b>23</b>	<b>Currency and deposits</b>	<b>5,164</b>	<b>67,009</b>	-	<b>(15,247)</b>	-	<b>315,116</b>	<b>2,051,433</b>	
24	Currency	-	-	-	-	-	6,717	274,483	
25	Interbank Position	-	-	-	-	-	-	-	
26	Transferable deposits	-	-	-	-	-	308,399	1,615,650	
27	Other deposits	5,164	67,009	-	(15,247)	-	-	161,300	

Continued on next page

Table 5.1 - continued from previous page

Million Rupees

Transaction and Balancing Items	Non-Financial Sectors						Total
	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW	
<b>28 Debt Securities</b>	<b>712</b>	<b>28,182</b>	-	<b>1,657,817</b>	-	-	<b>1,680,219</b>
29 Short-term	4,439	(1,027)	-	(527,987)	-	-	(526,444)
30 Long-term	(3,727)	29,209	-	2,185,804	-	-	2,206,664
<b>31 Loans</b>	<b>303,757</b>	<b>117,835</b>	<b>13,543</b>	<b>155,249</b>	<b>(41,932)</b>	<b>393</b>	<b>472,547</b>
32 Short-term	231,814	81,181	16,188	(1,341)	26,175	-	284,114
33 Long-term	71,943	36,654	(2,645)	156,590	(68,107)	393	188,434
<b>34 Shares Capital</b>	<b>447,013</b>	<b>336,962</b>	-	-	-	<b>10,828</b>	<b>812,611</b>
<b>35 Financial derivatives</b>	-	-	-	-	-	-	<b>(12,684)</b>
<b>36 Insurance technical reserves</b>	-	-	-	-	-	-	<b>123,555</b>
<b>37 Other accounts payable</b>	<b>300,897</b>	<b>4,638</b>	-	<b>173,121</b>	<b>265,791</b>	<b>(9,938)</b>	<b>814,338</b>
38 Trade credits and advances	111,062	17,142	-	-	517,121	(5,939)	639,386
39 Other accounts payable	189,835	(12,504)	-	173,121	(251,330)	(3,999)	174,952





## APPENDICES

Table A.1: Sectoral Positions

	Million Rupees						
Items	DTC	Fa	OFI	MMF	NMF	PF	IC
<b>Assets</b>	<b>11,724,306</b>	<b>43,348</b>	<b>134,204</b>	<b>140,883</b>	<b>353,038</b>	<b>22,959</b>	<b>776,803</b>
<b>Monetary Gold and SDRs</b>							
<b>1. Currency and deposits</b>	<b>977,523</b>	<b>35,783</b>	<b>12,880</b>	<b>25,398</b>	<b>44,262</b>	<b>1,129</b>	<b>32,200</b>
<b>a. Currency</b>	<b>165,014</b>	<b>4,185</b>	<b>203</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>139</b>
<b>b. Transferable deposits</b>	<b>724,255</b>	<b>24,539</b>	<b>8,192</b>	<b>20,285</b>	<b>31,518</b>	<b>1,040</b>	<b>25,816</b>
i. In national currency	530,844	23,497	7,330	20,267	31,317	1,036	25,667
ii. In foreign currency	193,411	1,042	862	18	201	4	149
<b>c. Other deposits</b>	<b>88,254</b>	<b>7,059</b>	<b>4,485</b>	<b>5,113</b>	<b>12,740</b>	<b>89</b>	<b>6,245</b>
i. In national currency	8,756	7,039	4,482	5,113	12,740	88	6,072
ii. In foreign currency	79,498	20	3	-	-	1	173
<b>2. Securities other than share</b>	<b>4,306,993</b>	<b>946</b>	<b>5,599</b>	<b>49,165</b>	<b>59,725</b>	<b>2,177</b>	<b>452,127</b>
a. Short Term	1,632,989	463	4,446	44,452	20,297	772	32,811
b. Long Term	2,674,004	483	1,153	4,713	39,428	1,405	419,316
<b>3. Loans</b>	<b>4,968,909</b>	<b>3,766</b>	<b>26,674</b>	<b>15,900</b>	<b>2,709</b>	<b>-</b>	<b>1,094</b>
a. Short Term	3,366,917	3,755	18,391	-	1,684	-	348
b. Long Term	1,601,992	11	8,282	15,900	1,025	-	745
<b>4. Shares &amp; Other Equity</b>	<b>406,405</b>	<b>-</b>	<b>35,916</b>	<b>7,663</b>	<b>181,865</b>	<b>4,554</b>	<b>96,131</b>
<b>5. Insurance technical reserves</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>

Continued on next page

Table A.1 – continued from previous page

Million Rupees							
Items	DTC	Fa	OFI	MMF	NMF	PF	IC
<b>6. Financial derivatives</b>	<b>19,486</b>	<b>9</b>	<b>62</b>	-	-	<b>13,868</b>	-
<b>7. Other accounts receivable</b>	<b>653,503</b>	<b>1,481</b>	<b>46,092</b>	<b>42,757</b>	<b>64,440</b>	<b>1,231</b>	<b>163,117</b>
a. Trade credit and advances	32	-	-	-	-	-	-
b. Other	653,471	1,481	46,092	42,757	64,440	1,231	163,117
<b>8. Fixed Assets</b>	<b>391,481</b>	<b>1,363</b>	<b>6,982</b>	-	<b>37</b>	-	<b>32,134</b>
<b>Liabilities</b>	<b>11,724,305</b>	<b>43,348</b>	<b>134,204</b>	<b>140,884</b>	<b>353,038</b>	<b>22,959</b>	<b>776,803</b>
<b>1. Currency and deposits</b>	<b>8,669,612</b>	<b>1</b>	<b>293</b>	<b>79</b>	-	<b>79</b>	<b>4,610</b>
<b>a. Currency</b>							
<b>b. Transferable deposits</b>	<b>6,301,003</b>	-	-	-	-	-	-
i. In national currency	5,810,236	-	-	-	-	-	-
ii. In foreign currency	490,767	-	-	-	-	-	-
<b>c. Other deposits</b>	<b>2,368,609</b>	<b>1</b>	<b>293</b>	<b>79</b>	-	<b>79</b>	<b>4,610</b>
i. In national currency	2,189,740	1	292	79	-	79	4,610
ii. In foreign currency	178,869	-	1	1	-	1	-
<b>2. Securities other than share</b>	<b>31,093</b>	<b>1,005</b>	<b>6,937</b>	<b>8,558</b>	-	<b>443</b>	<b>413</b>
a. Short Term	3	1,005	4,759	5,406	-	79	413
b. Long Term	31,090	-	2,179	3,152	-	364	-
<b>3. Loans</b>	<b>858,745</b>	<b>16,083</b>	<b>17,396</b>	<b>6,256</b>	<b>39,519</b>	<b>1,255</b>	<b>1,160</b>
a. Short Term	672,168	12,684	15,801	1,393	14,944	1,093	1,113
b. Long Term	186,577	3,399	1,595	4,863	24,575	162	47
<b>4. Shares &amp; Other Equity</b>	<b>583,401</b>	<b>13,477</b>	<b>33,616</b>	<b>91,497</b>	<b>189,506</b>	<b>5,604</b>	<b>33,178</b>
<b>5. Insurance technical reserves</b>	-	-	-	-	-	-	<b>610,223</b>
<b>6. Financial derivatives</b>	<b>23,621</b>	-	-	-	<b>5,444</b>	<b>7</b>	-
<b>7. Other accounts payable</b>	<b>1,063,812</b>	<b>11,802</b>	<b>53,383</b>	<b>18,805</b>	<b>56,046</b>	<b>14,905</b>	<b>39,106</b>
a. Trade credit and advances	-	-	-	-	-	-	-
b. Other	1,063,812	11,802	53,383	18,805	56,046	14,905	39,106
<b>8. Reserve</b>	<b>391,985</b>	<b>897</b>	<b>19,629</b>	<b>17,498</b>	<b>71,430</b>	<b>663</b>	<b>88,242</b>
<b>9. Valuation</b>	<b>102,037</b>	<b>82</b>	<b>2,949</b>	<b>(1,809)</b>	<b>(8,907)</b>	<b>3</b>	<b>(129)</b>
<b>10. SDR allocations</b>	-	-	-	-	-	-	-

Table A.1 continue...

Million Rupees

Items	SBP	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW
<b>Assets</b>	<b>5,004,169</b>	<b>14,441,788</b>	<b>7,275,260</b>	<b>571,066</b>	<b>2,825,023</b>	<b>10,914,945</b>	<b>9,557,844</b>
Monetary Gold and SDRs	351,378	-	-	-	-	-	-
<b>1. Currency and deposits</b>	<b>762,654</b>	<b>2,925,347</b>	<b>750,533</b>	<b>524,439</b>	<b>890,836</b>	<b>7,527,497</b>	<b>258,107</b>
a. Currency	7,871	13,236	6,374	-	-	2,151,924	-
b. Transferable deposits	754,783	1,929,840	229,817	385,880	762,874	3,262,361	-
i. In national currency	-	1,822,883	216,568	384,919	748,666	2,936,700	-
ii. In foreign currency	754,783	106,956	13,249	961	14,207	325,661	-
c. Other deposits	-	982,271	514,342	138,559	127,962	2,113,212	-
i. In national currency	-	969,969	485,195	138,101	114,272	1,993,432	-
ii. In foreign currency	-	12,302	29,147	458	13,690	119,781	-
<b>2. Securities other than share</b>	<b>3,129,722</b>	<b>182,278</b>	<b>240,819</b>	<b>-</b>	<b>154,634</b>	<b>2,465,868</b>	<b>364,562</b>
a. Short Term	3,129,557	96,628	4,398	-	102,968	374,387	-
b. Long Term	165	85,650	236,421	-	51,666	2,091,481	-
<b>3. Loans</b>	<b>314,325</b>	<b>32,198</b>	<b>33,270</b>	<b>11,205</b>	<b>194,085</b>	<b>61,528</b>	<b>5,120,862</b>
a. Short Term	266,772	12,885	5,627	-	596	2,247	-
b. Long Term	47,553	19,314	27,643	11,205	193,489	59,282	-
<b>4. Shares &amp; Other Equity</b>	<b>235,525</b>	<b>729,512</b>	<b>32,529</b>	<b>35,422</b>	<b>706,805</b>	<b>354,524</b>	<b>3,120,109</b>
<b>5. Insurance technical reserves</b>	<b>1</b>	<b>471,417</b>	<b>12,072</b>	<b>-</b>	<b>-</b>	<b>101,047</b>	<b>-</b>
<b>6. Financial derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>824</b>
<b>7. Other accounts receivable</b>	<b>181,276</b>	<b>2,567,451</b>	<b>2,538,888</b>	<b>-</b>	<b>878,663</b>	<b>404,482</b>	<b>693,381</b>
a. Trade credit and advances	-	1,168,574	1,652,325	-	5,602	369,070	84,755
b. Other	181,276	1,398,878	886,563	-	873,061	35,412	608,626
<b>8. Fixed Assets</b>	<b>29,287</b>	<b>7,533,584</b>	<b>3,667,149</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>	<b>5,004,169</b>	<b>14,441,788</b>	<b>7,275,260</b>	<b>279,333</b>	<b>17,096,367</b>	<b>1,651,678</b>	<b>2,255,159</b>
<b>1. Currency and deposits</b>	<b>3,891,229</b>	<b>254,783</b>	<b>584,995</b>	<b>-</b>	<b>982,469</b>	<b>-</b>	<b>140,452</b>
a. Currency	2,309,127	-	-	-	-	-	-
b. Transferable deposits	1,452,804	-	-	-	-	-	-
i. In national currency	1,293,292	-	-	-	-	-	-
ii. In foreign currency	159,512	-	-	-	-	-	-
c. Other deposits	129,298	254,783	584,995	-	982,469	-	-
i. In national currency	119,276	254,783	584,995	-	982,469	-	-
ii. In foreign currency	10,022	-	-	-	-	-	-
<b>2. Securities other than share</b>	<b>-</b>	<b>152,267</b>	<b>116,986</b>	<b>-</b>	<b>10,587,633</b>	<b>-</b>	<b>24,426</b>

Continued on next page

Table A.1 – continued from previous page

	Million Rupees						
Items	SBP	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW
a. Short Term	-	18,889	1,946	-	5,046,238	-	-
b. Long Term	-	133,378	115,040	-	5,541,395	-	-
<b>3. Loans</b>	<b>19,819</b>	<b>3,209,582</b>	<b>829,943</b>	<b>279,333</b>	<b>4,751,030</b>	<b>709,623</b>	<b>11,123</b>
a. Short Term	17,191	1,826,656	365,337	271,407	345,209	284,853	-
b. Long Term	2,628	1,382,926	464,606	7,926	4,405,821	424,770	-
<b>4. Shares &amp; Other Equity</b>	<b>100</b>	<b>4,195,320</b>	<b>784,345</b>	-	-	-	<b>181,589</b>
<b>5. Insurance technical reserves</b>	-	-	-	-	-	-	-
<b>6. Financial derivatives</b>	<b>105,249</b>	-	-	-	-	-	<b>11,141</b>
<b>7. Other accounts payable</b>	<b>124,393</b>	<b>4,354,487</b>	<b>3,366,329</b>	-	<b>775,235</b>	<b>942,055</b>	<b>580,755</b>
a. Trade credit and advances	-	1,008,881	1,308,448	-	-	717,321	448,748
b. Other	124,393	3,345,607	2,057,881	-	775,235	224,734	132,007
<b>8. Reserve</b>	<b>176,584</b>	<b>2,126,776</b>	<b>1,592,662</b>	-	-	-	<b>1,305,673</b>
<b>9. Valuation</b>	<b>535,997</b>	<b>148,572</b>	-	-	-	-	-
<b>10. SDR allocations</b>	<b>150,798</b>	-	-	-	-	-	-



Table A.2: Detailed Flow of Funds Accounts of Pakistan

Types of claim	Financial Sectors														SBP	Uses		
	DTC		Fa		OFT		MMF		NMMF		PF		IC					
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses				
<b>1. Monetary gold and SDRs</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2. Currency and deposits</b>	990,352	100,463	(3)	(28,742)	(23)	5,411	63	14,928	-	23,349	63	454	(855)	(9,506)	689,794	446,573	-	-
<b>a. Currency</b>	-	33,122	-	513	-	(136)	-	(24)	-	(24)	-	-	(61)	(61)	267,766	3,150	-	-
i. National	-	28,756	-	(80)	-	(136)	-	(24)	-	(24)	-	-	(62)	(62)	267,766	(507)	-	-
ii. Foreign	-	4,366	-	593	-	-	-	-	-	-	-	-	0	0	-	3,657	-	-
<b>b. Interbank Position</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>c. Transferable deposits</b>	878,202	58,528	-	(4,924)	-	3,413	-	11,305	-	13,685	-	450	(941)	(941)	429,050	443,423	-	-
<b>i. In national currency</b>	831,529	55,270	-	(5,326)	-	3,155	-	11,305	-	13,533	-	448	(919)	(919)	403,393	-	-	-
1) Dep. taking Corp.	(3,738)	40,070	-	(5,456)	-	3,136	-	5,377	-	13,442	-	448	(919)	(919)	33,417	-	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	130	-	-	-
3) Other fin. Corp.	(2,320)	-	-	-	-	-	-	-	-	-	-	-	-	-	19	-	-	-
4) Insurance Companies	(919)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	0	15,205	-	130	-	19	-	5,928	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	248,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	48,094	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	53,975	-	-	-	-	-	-	-	-	-	-	-	-	-	120,613	-	-	-
9) Federal Govt	42,422	-	-	-	-	-	-	-	-	-	-	-	-	-	288,084	-	-	-
10) Other Resident Sector	420,443	-	-	-	-	-	-	-	-	-	-	-	-	-	127	-	-	-
11) Nonresidents	5,793	(5)	-	-	-	-	-	-	-	91	-	-	-	-	(38,996)	-	-	-
12) Money Market Fund	5,377	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	13,442	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	448	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	46,672	3,258	-	402	-	258	-	152	-	152	-	2	(22)	(22)	25,656	443,423	-	-
1) Dep. taking Corp.	142	320	-	284	-	258	-	61	-	61	-	2	(22)	(22)	25,656	-	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3) Other fin. Corp.	258	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	(22)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	15,298	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Table A.2 – continued from previous page

Types of claim	Financial Sectors														Million Rupees	
	DTC		Fa		OFI		MMF		NMMF		PF		IC		SBP	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
6) Non-Financial Pvt Corp.	9,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	2,681	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	129	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	2,328	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	28,979	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	2,550	(12,360)	-	118	-	-	-	-	91	-	-	-	-	-	-	443,423
12) Money Market Fund	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>d. Other deposits</b>	<b>112,151</b>	<b>8,813</b>	<b>(3)</b>	<b>(24,331)</b>	<b>(23)</b>	<b>2,134</b>	<b>63</b>	<b>3,623</b>	<b>9,688</b>	<b>63</b>	<b>4</b>	<b>(855)</b>	<b>(8,504)</b>	<b>(7,021)</b>	-	-
<b>i. In national currency</b>	<b>78,062</b>	<b>753</b>	<b>(3)</b>	<b>(24,338)</b>	<b>(23)</b>	<b>2,131</b>	<b>63</b>	<b>3,623</b>	<b>9,688</b>	<b>63</b>	<b>4</b>	<b>(855)</b>	<b>(8,682)</b>	<b>1,499</b>	-	-
1) Dep. taking Corp.	(9,635)	656	-	(25,167)	-	2,601	-	3,557	9,075	-	4	-	(8,617)	0	-	-
2) Other Deposit Inst.	-	-	-	-	63	-	63	66	84	-	4	-	-	7	-	-
3) Other fin. Corp.	(22,566)	-	-	63	-	6	-	-	(8)	-	-	-	-	(476)	-	-
4) Insurance Companies	(8,617)	-	-	-	-	-	-	-	-	-	-	-	-	45	-	-
5) Central Bank	(1)	52	-	234	-	(476)	-	-	537	-	-	-	(65)	-	-	-
6) Non-Financial Pvt Corp.	35,409	17	-	-	(86)	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	13,616	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	14,312	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	16,001	-	-	529	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	29,604	-	(3)	-	-	-	-	-	-	-	-	(855)	-	2,521	-	-
11) Nonresidents	(2,718)	-	-	-	-	-	-	-	-	-	-	-	-	(598)	-	-
12) Money Market Fund	3,533	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	8,831	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	294	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	<b>34,089</b>	<b>8,060</b>	-	<b>7</b>	-	<b>3</b>	-	-	-	-	-	-	<b>178</b>	<b>(8,520)</b>	-	-
1) Dep. taking Corp.	(3,293)	(275)	-	-	-	3	-	-	-	-	-	-	-	178	-	-
2) Other Deposit Inst.	-	-	-	(6)	-	-	-	-	-	-	-	-	-	18	-	-

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Types of claim	Financial Sectors																SBP	Uses
	DTC		Fa		OFT		MMF		NMMF		PF		IC					
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses				
3) Other fin. Corp.	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	178	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	3,041	-	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	(968)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	253	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	(353)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	39,925	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,197
11) Nonresidents	(1,652)	5,294	-	(5)	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,735)
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Debt Securities</b>	<b>(4,519)</b>	<b>277,483</b>	<b>(517)</b>	<b>(130)</b>	<b>(856)</b>	<b>(5)</b>	<b>(906)</b>	<b>(24,523)</b>	<b>873</b>	<b>(71)</b>	<b>354</b>	<b>377</b>	<b>142,308</b>	<b>-</b>	<b>481,170</b>			
<b>a. Short Term</b>	<b>(0)</b>	<b>(1,078,720)</b>	<b>(517)</b>	<b>(36)</b>	<b>(758)</b>	<b>1,061</b>	<b>(901)</b>	<b>(24,653)</b>	<b>(16,390)</b>	<b>(76)</b>	<b>(294)</b>	<b>383</b>	<b>4,656</b>	<b>-</b>	<b>481,511</b>			
1) Dep. taking Corp.	-	(85)	(517)	-	(529)	-	(907)	640	-	(76)	-	383	(0)	-	-			
2) Other dep Inst.	-	(517)	-	-	6	-	6	-	(245)	-	-	-	-	-	-			
3) Other fin. Corp.	-	(529)	-	6	-	381	-	157	(52)	-	-	-	-	-	-			
4) Insurance Companies	(0)	383	-	-	-	-	-	-	-	-	-	-	-	-	-			
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6) Non-Financial Pvt Corp.	-	(1,429)	-	-	(245)	108	-	(89)	(253)	-	-	-	(4)	-	-			
7) Non-Financial Pub Corp.	-	(1,029)	-	2	-	-	-	(150)	(917)	-	-	-	-	-	-			
8) Provincial Govt	-	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-			
9) Federal Govt	-	(1,072,264)	-	(39)	-	571	-	(25,211)	(14,662)	-	(294)	-	4,660	-	614,463			
10) Other Resident Sector	-	-	-	-	9	-	-	-	-	-	-	-	-	-	-			
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(132,952)			
12) Money Market Fund	-	(907)	-	-	-	-	-	-	-	-	-	-	-	-	-			
13) Non Money Mkt Fund	-	(2,267)	-	-	-	-	-	-	-	-	-	-	-	-	-			
14) Pension Funds	-	(76)	-	-	-	-	-	-	-	-	-	-	-	-	-			
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

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Table A.2 – continued from previous page

Types of claim	Financial Sectors												SBP			
	DTC		Fa		OFI		MMF		NMMF		PF			IC		
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses		Sources	Uses	
<b>b. Long Term</b>	(4,519)	1,356,203	-	(94)	(97)	(1,066)	(5)	130	-	17,263	5	648	(6)	137,652	-	(341)
1) Dep. taking Corp.	(2,419)	(3,243)	-	(22)	32	(152)	54	(260)	-	(650)	5	(22)	-	(505)	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	(58)	-	-	(494)	-	-	(6)	-	-	-
3) Other fin. Corp.	(152)	32	-	-	-	-	(1)	-	-	139	-	4	-	-	-	-
4) Insurance Companies	(505)	-	-	(6)	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	396	(1,324)	-	(58)	(129)	(14)	-	(2,342)	-	(630)	-	2	-	236	-	-
7) Non-Financial Pub Corp.	(25)	12,633	-	1	-	(47)	-	-	-	(458)	-	(75)	-	319	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	1,365,287	-	(9)	-	(853)	-	2,732	-	19,356	-	739	-	136,134	-	(341)
10) Other Resident Sector	(882)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	(1)	(17,376)	-	-	-	-	-	-	-	-	-	-	-	1,468	-	-
12) Money Market Fund	(260)	54	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	(650)	135	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	(22)	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>4. Loans</b>	(81,670)	546,750	(1,052)	1,790	1,446	5,488	204	3,871	(5,207)	(87)	322	-	674	(26,997)	8,986	(222,018)
<b>a. Short Term</b>	(85,573)	434,385	(1,053)	1,822	1,518	6,006	(62)	(725)	(3,156)	(206)	313	-	918	57	17,191	(225,864)
1) Dep. taking Corp.	60,299	63,832	(682)	1,819	(366)	6,820	(63)	-	(3,156)	-	312	-	918	-	-	(218,409)
2) Other Deposit Inst.	-	-	(332)	-	-	(332)	1	-	-	12	1	-	-	-	-	(39)
3) Other fin. Corp.	6,820	(2,104)	-	-	463	16	-	(725)	-	(307)	-	-	-	-	-	1,450
4) Insurance Companies	-	918	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	(191,940)	17,191	(39)	-	1,450	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	-	226,520	-	1	-	(447)	-	-	-	(9)	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	81,234	-	-	-	(53)	-	-	-	98	-	-	-	-	-	(8,866)
8) Provincial Govt	-	25,054	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	(1,342)	-	-	-	(70)	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	-	27,759	-	2	(29)	71	-	-	-	-	-	-	-	57	-	-
11) Nonresidents	39,249	(2,046)	-	-	-	-	-	-	-	-	-	-	-	-	17,191	-
12) Money Market Fund	-	(61)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Continued on next page

Table A.2 – continued from previous page

Types of claim	Financial Sectors																SBP
	DTC		Fa		OFT		MMF		NMMF		PF		IC		Uses	Uses	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses			
13) Non Money Mkt Fund	-	(736)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	(1,834)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Long Term</b>	<b>3,902</b>	<b>112,365</b>	<b>1</b>	<b>(32)</b>	<b>(72)</b>	<b>(518)</b>	<b>266</b>	<b>4,596</b>	<b>(2,051)</b>	<b>119</b>	<b>9</b>	<b>(244)</b>	<b>(27,054)</b>	<b>(8,205)</b>	<b>3,845</b>		
1) Dep. taking Corp.	(552)	2,393	(99)	(19)	62	46	266	4,596	(2,051)	121	9	(244)	-	-	3,752		
2) Other Deposit Inst.	-	-	-	-	(13)	-	-	(3)	-	-	-	-	-	-	100		
3) Other fin. Corp.	46	(37)	-	(13)	(121)	7	-	1	-	-	-	-	-	-	-		
4) Insurance Companies	-	(244)	-	-	-	-	-	-	-	-	-	-	-	-	-		
5) Central Bank	5,547	-	100	-	-	-	-	-	-	-	-	-	-	-	-		
6) Non-Financial Pvt Corp.	-	139,514	-	1	-	(550)	-	-	-	-	-	-	-	-	-		
7) Non-Financial Pub Corp.	-	17,083	-	-	-	(40)	-	-	-	-	-	-	-	-	-		
8) Provincial Govt	-	(2,645)	-	-	-	-	-	-	-	-	-	-	-	-	-		
9) Federal Govt	(368)	(1,530)	-	-	-	-	-	-	-	-	-	-	-	-	-		
10) Other Resident Sector	-	(42,897)	-	(1)	-	19	-	-	-	-	-	-	(27,447)	-	(7)		
11) Nonresidents	(771)	347	-	-	-	-	-	-	-	-	-	-	393	(8,205)	-		
12) Money Market Fund	-	266	-	-	-	-	-	-	-	-	-	-	-	-	-		
13) Non Money Mkt Fund	-	106	-	-	-	-	-	-	-	-	-	-	-	-	-		
14) Pension Funds	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-		
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>5. Equity &amp; Shares</b>	<b>10,177</b>	<b>45,545</b>	<b>1,050</b>	-	<b>7,203</b>	<b>(10,364)</b>	<b>(4,032)</b>	<b>(183)</b>	<b>(4,446)</b>	<b>(5,612)</b>	<b>2,374</b>	<b>1,539</b>	<b>5,482</b>	<b>11,668</b>	<b>67,470</b>		
1) Dep. taking Corp.	(1,961)	11,300	42	-	(456)	(106)	(837)	(183)	(837)	457	(70)	(15)	323	(382)	67,470		
2) Other Deposit Inst.	-	-	(50)	-	-	-	(232)	-	2,505	33	-	-	-	-	-		
3) Other fin. Corp.	(106)	(417)	-	-	929	(1,602)	(231)	-	808	199	(175)	-	30	56	-		
4) Insurance Companies	(379)	323	-	-	56	30	(4,451)	-	2,098	215	-	1	211	2,116	-		
5) Central Bank	745	-	-	-	-	-	-	-	1,309	-	-	-	-	-	-		
6) Non-Financial Pvt Corp.	4,315	19,328	105	-	5,535	(10,786)	1,276	-	10,814	3,091	-	390	822	5,995	-		
7) Non-Financial Pub Corp.	(960)	9,689	-	-	1,935	2,099	1,530	-	(23,863)	(9,517)	2,286	1,163	86	3,883	-		
8) Provincial Govt	1,759	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
9) Federal Govt	405	-	50	-	(848)	-	-	-	(9)	-	-	-	5	-	-		
10) Other Resident Sector	2,699	-	903	-	21	-	(1,095)	-	4,144	-	333	-	3,887	-	-		

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Table A.2 – continued from previous page

Types of claim	Financial Sectors														SBP
	DTC		Fa		OFI		MMF		NMMF		PF		IC		
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	
11) Nonresidents	3,401	8,311	-	-	30	-	8	-	(1,415)	(90)	-	-	116	-	-
12) Money Market Fund	(198)	(897)	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	457	(2,093)	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>7. Insurance, pension &amp; guarantee schemes</b>	-	<b>3</b>	-	-	-	-	-	-	-	-	-	-	<b>123,555</b>	<b>0</b>	<b>(1)</b>
<b>a. Life insurance reserves</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>(290,113)</b>	-	-
<b>b. Prepayment of premium</b>	-	<b>3</b>	-	-	-	-	-	-	-	-	-	-	<b>413,668</b>	<b>0</b>	<b>(1)</b>
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	-	3	-	-	-	-	-	-	-	-	-	-	9,351	0	(1)
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	(1)	-	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	404,300	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>8. Fin derivatives &amp; Employees Stock Fund</b>	<b>(20,630)</b>	<b>(20,161)</b>	-	<b>(77)</b>	<b>(3)</b>	-	-	-	<b>(15,685)</b>	-	-	<b>(1,046)</b>	-	-	<b>23,634</b>
1) Dep. taking Corp.	(12,747)	(15,824)	-	(74)	-	-	-	-	(15,685)	-	-	-	-	-	-
2) Other Deposit Inst.	(74)	-	-	-	(3)	-	-	-	-	-	-	(1,092)	-	-	-
3) Other fin. Corp.	-	-	-	(3)	-	-	-	-	-	-	-	-	-	-	-

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Table A.2 – continued from previous page

Types of claim	Financial Sectors														SBP	Uses	
	DTC		Fa		OFT		MMF		NMMF		PF		IC				
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses			
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	(1,300)	(674)	-	-	-	-	-	-	-	-	45	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	(6,437)	(3,574)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	(72)	(89)	-	-	-	-	-	-	-	-	-	-	-	-	-	23,634	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9. Employee Stock Option</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>10. Other accounts</b>	<b>88,746</b>	<b>72,746</b>	<b>(26,027)</b>	<b>384</b>	<b>1,600</b>	<b>1,498</b>	<b>13,330</b>	<b>10,585</b>	<b>36,908</b>	<b>704</b>	<b>(675)</b>	<b>299</b>	<b>(3,587)</b>	<b>13,045</b>	<b>(30,467)</b>	<b>8,911</b>	<b>8,911</b>
<b>receivable/ payable</b>	-	(12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a. Trade credit and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Other</b>	<b>88,746</b>	<b>72,758</b>	<b>(26,027)</b>	<b>384</b>	<b>1,600</b>	<b>1,498</b>	<b>13,330</b>	<b>10,585</b>	<b>36,908</b>	<b>704</b>	<b>(675)</b>	<b>299</b>	<b>(3,587)</b>	<b>13,045</b>	<b>(30,467)</b>	<b>8,911</b>	<b>8,911</b>
i. Resident sectors	89,852	72,655	(26,089)	353	1,607	1,499	13,330	10,586	46,714	588	(675)	299	(3,654)	12,879	(31,036)	3,833	3,833
ii. Nonresidents	(1,106)	103	62	31	(7)	(1)	-	(1)	(9,806)	116	-	-	67	166	569	5,078	5,078
<b>Total Assets/ Liabilities</b>	<b>982,456</b>	<b>1,022,828</b>	<b>(26,549)</b>	<b>(26,776)</b>	<b>9,367</b>	<b>2,027</b>	<b>8,658</b>	<b>4,678</b>	<b>11,570</b>	<b>19,227</b>	<b>2,012</b>	<b>1,600</b>	<b>125,647</b>	<b>130,517</b>	<b>691,948</b>	<b>776,743</b>	<b>776,743</b>
<b>Net Lending(+)\Net Borrowing(-)</b>	<b>40,373</b>		<b>(227)</b>		<b>(7,340)</b>		<b>(3,980)</b>		<b>7,656</b>		<b>(412)</b>		<b>4,871</b>		<b>84,795</b>		<b>84,795</b>

Table A.2 continue...

Million Rs.

Types of claim	Non-Financial Sectors													
	NFC Pvt		NFC Pub		Pro Govt.		Fed Govt.		HH		ROW		Total	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
<b>1. Monetary gold and SDRs</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2. Currency and deposits</b>	5,164	291,432	67,009	56,863	-	188,675	(15,247)	348,818	-	796,541	315,116	(6,991)	2,051,308	2,189,536
<b>a. Currency</b>	-	(14,122)	-	293	-	-	-	-	-	253,624	6,717	-	274,483	276,383
i. National	-	(14,122)	-	293	-	-	-	-	-	253,624	-	-	267,766	267,766
ii. Foreign	-	-	-	-	-	-	-	-	-	-	6,717	-	6,717	8,617
<b>b. Interbank Position</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>c. Transferable deposits</b>	-	258,052	-	50,975	-	174,716	-	332,834	-	449,422	308,399	-	1,615,650	1,765,499
<b>i. In national currency</b>	-	248,512	-	48,094	-	174,587	-	330,506	-	420,443	-	-	1,234,922	1,274,323
1) Dep. taking Corp.	-	248,512	-	48,094	-	53,975	-	42,422	-	420,443	-	-	29,678	850,277
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	130	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	(2,301)	-
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	(919)	-
5) Central Bank	-	-	-	-	-	120,613	-	288,084	-	-	-	-	0	424,051
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	248,512	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	48,094	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	174,587	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	330,506	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	420,570	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	(33,203)	(5)
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	5,377	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	13,442	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	448	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	-	9,541	-	2,881	-	129	-	2,328	-	28,979	308,399	-	380,728	491,176
1) Dep. taking Corp.	-	9,541	-	2,681	-	129	-	2,328	-	28,979	(4,131)	-	21,667	44,497
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	258	-
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	(22)	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	327,171	-	327,171	15,298
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	9,541	-
7) Non-Financial Pub Corp.	-	-	-	200	-	-	-	-	-	-	(14,533)	-	(11,852)	200
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	129	-

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Table A.2 – continued from previous page

Million Rs.

Types of claim	Non-Financial Sectors												Total	
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW			
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses		
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	(108)	-	2,220	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	28,979	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	2,550	431,181
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	24	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	61	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	2	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>d. Other deposits</b>	<b>5,164</b>	<b>47,502</b>	<b>67,009</b>	<b>5,595</b>	<b>13,959</b>	<b>(15,247)</b>	<b>15,983</b>	<b>93,495</b>	<b>(6,991)</b>	<b>161,175</b>	<b>147,655</b>			
<b>i. In national currency</b>	<b>5,164</b>	<b>48,471</b>	<b>67,009</b>	<b>19,876</b>	<b>14,312</b>	<b>(15,247)</b>	<b>15,987</b>	<b>53,571</b>	<b>9,585</b>	<b>135,605</b>	<b>131,664</b>			
1) Dep. taking Corp.	-	35,409	-	13,616	-	14,312	16,001	29,604	9,585	(9,634)	87,999			
2) Other Deposit Inst.	-	-	-	-	-	-	-	(3)	-	70	(3)			
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	(23,043)	69			
4) Insurance Companies	-	-	-	-	-	-	-	(855)	-	(8,572)	(855)			
5) Central Bank	-	-	-	-	-	-	-	-	-	(1)	(255)			
6) Non-Financial Pvt Corp.	8,767	3,099	9,548	(5,923)	-	-	-	5,776	-	53,638	2,969			
7) Non-Financial Pub Corp.	(5,923)	9,548	11,030	65	-	12,118	-	46,431	-	30,841	56,072			
8) Provincial Govt	-	-	-	-	-	-	-	-	-	14,312	3			
9) Federal Govt	(3,456)	20	-	12,118	-	-	-	(27,382)	-	12,545	(14,715)			
10) Other Resident Sector	5,776	-	46,431	-	-	(27,365)	-	-	-	56,109	(14)			
11) Nonresidents	-	-	-	-	-	-	(14)	-	-	(3,316)	-			
12) Money Market Fund	-	-	-	-	-	-	-	-	-	3,533	-			
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	8,831	-			
14) Pension Funds	-	-	-	-	-	-	-	-	-	294	-			
15) Captive fin. Companies	-	395	-	-	-	-	-	-	-	-	395			
<b>ii. In foreign currency</b>	<b>(968)</b>	<b>(14,280)</b>	<b>(353)</b>	<b>(968)</b>	<b>(353)</b>	<b>(353)</b>	<b>(3)</b>	<b>39,925</b>	<b>(16,576)</b>	<b>25,569</b>	<b>15,991</b>			
1) Dep. taking Corp.	-	(968)	-	253	-	(353)	(3)	39,925	(32,067)	(3,293)	6,692			
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	18	(6)			
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	3	-			
4) Insurance Companies	-	-	-	-	-	-	-	-	-	178	-			
5) Central Bank	-	-	-	-	-	-	-	-	-	15,491	-			18,550
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	(968)	-			-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	253	-			-

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Table A.2 – continued from previous page

Types of claim	Non-Financial Sectors														Total	
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW		Total			
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses		
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(353)	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3)	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,121	-
11) Nonresidents	-	-	-	(14,533)	-	-	-	-	-	-	-	-	-	-	(11,386)	(9,244)
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Debt Securities</b>	<b>712</b>	<b>35,717</b>	<b>28,182</b>	<b>(4,878)</b>	-	-	<b>1,657,817</b>	<b>3,321</b>	-	<b>409,523</b>	-	<b>206,027</b>	<b>1,681,196</b>	<b>1,550,536</b>		
<b>a. Short Term</b>	<b>4,439</b>	<b>8,534</b>	<b>(1,027)</b>	<b>(2,888)</b>	-	-	<b>(527,987)</b>	<b>4,464</b>	-	<b>(45,463)</b>	-	-	<b>(525,467)</b>	<b>(626,880)</b>		
1) Dep. taking Corp.	(1,429)	-	(1,029)	-	-	-	(1,072,264)	4,364	-	-	-	-	(1,075,385)	4,279	-	-
2) Other Dep. Inst.	-	-	2	-	-	-	(39)	-	-	-	-	-	(31)	(517)	-	-
3) Other fin. Corp.	108	(245)	-	-	-	-	571	-	-	-	-	-	679	(386)	-	-
4) Insurance Companies	(4)	-	-	-	-	-	4,660	-	-	-	-	-	4,656	383	-	-
5) Central Bank	-	-	-	-	-	-	614,463	-	-	-	-	-	614,463	-	-	-
6) Non-Financial Pvt Corp.	5,764	(2,152)	-	-	-	-	14,270	-	-	-	-	-	19,789	(3,477)	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	(2,856)	-	-	-	-	-	(2,856)	(1,027)	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	(5)	-	-
9) Federal Govt	-	14,569	-	(2,856)	-	-	(45,463)	100	-	(45463)	-	-	(45,454)	(486259)	-	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(132,952)
12) Money Market Fund	-	(3,922)	-	-	-	-	(26,373)	-	-	-	-	-	(26,373)	(4,829)	-	-
13) Non Money Mkt Fund	-	285	-	(32)	-	-	(14,662)	-	-	-	-	-	(14,662)	(2,014)	-	-
14) Pension Funds	-	-	-	-	-	-	(294)	-	-	-	-	-	(294)	(76)	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Long Term</b>	<b>(3,727)</b>	<b>27,183</b>	<b>29,209</b>	<b>(1,990)</b>	-	-	<b>2,185,804</b>	<b>(1,143)</b>	-	<b>454,986</b>	-	<b>206,027</b>	<b>2,206,664</b>	<b>2,177,417</b>		
1) Dep. taking Corp.	(1,324)	396	12,633	(25)	-	-	1,365,287	(882)	-	-	-	-	1,374,209	(4,432)	-	-
2) Other Deposit Inst.	(58)	-	1	-	-	-	(9)	-	-	-	-	-	(72)	-	-	-
3) Other fin. Corp.	(14)	(129)	(47)	-	-	-	(853)	-	-	-	-	-	(1,066)	(97)	-	-
4) Insurance Companies	236	-	-	-	-	-	136,134	-	-	-	-	-	135,865	(6)	-	-
5) Central Bank	-	-	-	-	-	-	(341)	-	-	-	-	-	(341)	-	-	-
6) Non-Financial Pvt Corp.	8,747	8	-	206	-	-	17,210	-	-	-	-	(11,520)	26,224	(12,466)	-	-

Continued on next page

Table A.2 – continued from previous page

Million Rs.

Types of claim	Non-Financial Sectors													
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW		Total	
Items	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
7) Non-Financial Pub Corp.	206	-	16,622	-	-	-	(5,139)	(1,400)	-	-	-	-	11,664	11,506
8) Provincial Govt	-	-	-	518	-	-	-	-	-	-	-	-	-	518
9) Federal Govt	-	16,811	-	(5,139)	-	-	-	257	-	455,868	-	217,547	-	2,185,562
10) Other Resident Sector	-	-	-	-	-	-	455,868	-	-	-	-	-	454,986	-
11) Nonresidents	(11,520)	-	-	-	-	-	217,647	-	-	-	-	-	206,126	(15,908)
12) Money Market Fund	-	10,097	-	2,450	-	-	-	-	-	-	-	-	(260)	12,601
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	(650)	135
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	(22)	5
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>4. Loans</b>	<b>303,757</b>	<b>271</b>	<b>117,835</b>	<b>(18,775)</b>	<b>13,543</b>	<b>2,067</b>	<b>155,249</b>	<b>12,055</b>	<b>(41,932)</b>	<b>2,216</b>	<b>393</b>	<b>52,426</b>	<b>477,228</b>	<b>355,273</b>
<b>a. Short Term</b>	<b>231,814</b>	<b>1,354</b>	<b>81,181</b>	<b>(11,391)</b>	<b>16,188</b>	<b>-</b>	<b>(1,341)</b>	<b>9</b>	<b>26,175</b>	<b>167</b>	<b>-</b>	<b>-</b>	<b>287,019</b>	<b>206,546</b>
1) Dep. taking Corp.	226,520	-	81,234	-	25,054	-	(1,342)	-	25,979	-	-	-	417,614	(145,938)
2) Other Deposit Inst.	1	-	-	-	-	-	-	-	2	-	-	-	(329)	(371)
3) Other fin. Corp.	(447)	-	(1)	-	-	-	(70)	-	71	-	-	-	6,837	(638)
4) Insurance Companies	-	-	-	-	-	-	-	-	57	-	-	-	57	918
5) Central Bank	-	-	-	-	(8,866)	-	-	-	-	-	-	-	(199,395)	17,191
6) Non-Financial Pvt Corp.	5,812	(124)	(33)	-	-	-	-	-	-	167	-	-	5,779	226,118
7) Non-Financial Pub Corp.	-	(33)	(24)	(11,456)	-	-	70	-	65	-	-	-	111	69,692
8) Provincial Govt	4	-	5	-	-	-	-	-	-	-	-	-	9	16,188
9) Federal Govt	(273)	-	-	-	-	-	-	-	-	-	-	-	(273)	(1,411)
10) Other Resident Sector	167	1,511	-	65	-	-	-	9	-	-	-	-	139	29,475
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	56,440	(2,046)
12) Money Market Fund	38	-	-	-	-	-	-	-	-	-	-	-	38	(61)
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	(736)
14) Pension Funds	(8)	-	-	-	-	-	-	-	-	-	-	-	(8)	(1,834)
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Long Term</b>	<b>71,943</b>	<b>(1,083)</b>	<b>36,654</b>	<b>(7,384)</b>	<b>(2,645)</b>	<b>2,067</b>	<b>156,590</b>	<b>12,046</b>	<b>(68,107)</b>	<b>2,048</b>	<b>393</b>	<b>52,426</b>	<b>190,210</b>	<b>148,727</b>
1) Dep. taking Corp.	139,514	-	17,083	-	(2,645)	-	(1,330)	(368)	(42,897)	-	-	-	108,692	5,804
2) Other Deposit Inst.	1	-	-	-	-	-	-	-	(1)	-	-	-	(13)	100
3) Other fin. Corp.	(550)	-	(47)	-	-	-	-	-	-	-	-	-	(672)	(43)
4) Insurance Companies	-	-	-	-	-	-	-	-	(27,447)	-	393	-	(27,054)	(244)
5) Central Bank	-	-	-	-	-	-	-	-	(7)	-	-	(57,051)	5,641	(57,051)

Continued on next page

Table A.2 – continued from previous page

Types of claim	Non-Financial Sectors												Total
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW		
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	
6) Non-Financial Pvt Corp.	(16,414)	(1,740)	123	43	-	-	(17,095)	-	(672)	-	(48,643)	70,858	
7) Non-Financial Pub Corp.	43	123	(555)	(9,672)	-	2,067	29,476	2,245	2,720	-	-	1,733	
8) Provincial Govt	52	-	2,067	-	-	-	-	-	-	-	-	41,757	
9) Federal Govt	(15,585)	-	29,476	-	-	-	-	-	-	-	158,120	(2,645)	
10) Other Resident Sector	(672)	534	2,720	2,245	-	-	33	-	-	-	-	13,523	
11) Nonresidents	(34,430)	-	(14,212)	-	-	-	-	-	-	-	-	2,048	
12) Money Market Fund	(16)	-	-	-	-	-	158,120	-	-	-	-	100,501	
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	266	
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	106	
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	9	
<b>5. Equity &amp; Shares</b>	<b>447,013</b>	<b>33,637</b>	<b>336,962</b>	<b>2,671</b>	<b>1,759</b>	<b>321,370</b>	<b>11,647</b>	<b>10,828</b>	<b>246,183</b>	<b>818,715</b>	<b>731,585</b>	<b>731,585</b>	
1) Dep. taking Corp.	19,328	4,315	9,689	(960)	1,759	405	2,699	-	2,699	-	26,965	86,500	
2) Other Deposit Inst.	-	105	-	(261)	-	50	903	-	903	-	(50)	797	
3) Other fin. Corp.	(10,786)	5,535	2,084	-	-	(848)	21	-	21	-	(7,848)	2,745	
4) Insurance Companies	5,995	822	72	-	-	5	3,887	-	3,887	-	5,955	7,184	
5) Central Bank	-	-	-	-	-	-	-	-	-	-	745	-	
6) Non-Financial Pvt Corp.	8,269	28,510	(8)	44	-	-	-	-	3,591	10,828	246,183	292,865	
7) Non-Financial Pub Corp.	44	(8)	2,209	3,407	-	-	321,758	-	545	-	-	341,374	
8) Provincial Govt	-	-	231	-	-	-	-	-	-	-	-	1,990	
9) Federal Govt	4,654	-	321,758	-	-	-	-	-	-	-	326,024	-	
10) Other Resident Sector	3,591	-	545	-	-	-	-	-	-	-	11,647	-	
11) Nonresidents	417,374	(10,314)	545	90	-	-	-	-	-	-	421,466	(1,913)	
12) Money Market Fund	(925)	4,636	(166)	238	-	-	-	-	-	-	(1,289)	3,977	
13) Non Money Mkt Fund	(530)	36	2	(84)	-	-	-	-	-	-	(71)	(2,141)	
14) Pension Funds	-	-	-	197	-	-	-	-	-	-	-	197	
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	
<b>7. Insurance, pension &amp; guarantee schemes</b>	<b>-</b>	<b>404,300</b>	<b>-</b>	<b>(234)</b>	<b>-</b>	<b>-</b>	<b>(290,113)</b>	<b>-</b>	<b>(290,113)</b>	<b>-</b>	<b>123,555</b>	<b>113,955</b>	
<b>a. Life insurance reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(151)</b>	<b>-</b>	<b>-</b>	<b>(290,113)</b>	<b>-</b>	<b>(290,113)</b>	<b>-</b>	<b>(290,113)</b>	<b>(290,264)</b>	
<b>b. Prepayments of premiums</b>	<b>-</b>	<b>404,300</b>	<b>-</b>	<b>(83)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>413,668</b>	<b>404,219</b>	
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	3	-	
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	

Continued on next page

Table A.2 – continued from previous page

Million Rs.

Types of claim Items	Non-Financial Sectors												Total			
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW					
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses				
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	-	404,300	-	(83)	-	-	-	-	-	-	-	-	9,351	-	404,219	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	404,300	-	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>8. Fin derivatives &amp;</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>3,001</b>	-	<b>(20,238)</b>	-
<b>Employees Stock Fund</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	-	-	(12,747)	-	(15,898)	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-	-	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3)	-
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	(1,300)	-	(674)	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	(6,437)	-	(3,574)	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	23,562	-	(89)	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9. Employee Stock Option</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Continued on next page

Table A.2 – continued from previous page

Types of claim Items	Non-Financial Sectors												Total Sources	Total Uses
	NFC Pvt		NFC Pub		Prov Govt.		Fed Govt.		HH		ROW			
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses		
<b>10. Other accounts</b>	<b>300,897</b>	<b>264,680</b>	<b>4,638</b>	<b>562,616</b>	-	-	<b>173,121</b>	<b>57,966</b>	<b>265,791</b>	<b>20,283</b>	<b>(9,938)</b>	<b>136,269</b>	<b>764,776</b>	<b>1,138,397</b>
<b>receivable/ payable</b>														
a. Trade credit and advances	111,062	252,274	17,142	503,828	-	-	-	1,025	517,121	-	(5,939)	2,607	639,386	759,722
<b>b. Other</b>	<b>189,835</b>	<b>12,406</b>	<b>(12,504)</b>	<b>58,788</b>	-	-	<b>173,121</b>	<b>56,941</b>	<b>(251,330)</b>	<b>20,283</b>	<b>(3,999)</b>	<b>133,662</b>	<b>125,390</b>	<b>378,675</b>
i. Resident sectors	187,378	18,345	(12,504)	61,729	-	-	173,121	56,941	(251,330)	20,283	(3,999)	133,662	123,347	382,178
ii. Nonresidents	2,458	(5,939)	-	(2,941)	-	-	-	-	-	-	-	-	2,043	(3,503)
<b>Total Assets/Liabilities</b>	<b>1,057,544</b>	<b>1,030,037</b>	<b>554,626</b>	<b>598,263</b>	<b>13,543</b>	<b>192,501</b>	<b>1,970,939</b>	<b>743,530</b>	<b>223,859</b>	<b>950,096</b>	<b>310,780</b>	<b>633,914</b>	<b>5,936,401</b>	<b>6079187</b>
<b>Net Lending(+)\Net Borrowing(-)</b>	<b>(27,506)</b>	<b>178,958</b>	<b>43,637</b>	<b>(1,227,409)</b>	<b>726,238</b>	<b>323,134</b>	<b>142,786</b>							

Million Rs.

## CHANGES FROM 1993 SYSTEM OF NATIONAL ACCOUNTS

The System of National Accounts 2008 (2008 SNA) retains the basic theoretical framework of its predecessor, the System of National Accounts 1993 (1993 SNA). The changes in the 2008 SNA bring the accounts into line with developments in the economic environment, advances in methodological research and needs of users.

Following major changes have been introduced in the new SNA 2008;

1. Producer unit undertaking ancillary activities to be recognized as a separate establishment in certain cases.
2. Artificial subsidiaries not regarded as institutional units unless resident in an economy different from that of their parents.
3. Branch of a non-resident unit recognized as an institutional unit.
4. Residence of multiterritory enterprises clarified
5. Special purpose entities recognized.
6. Holding company allocated to the financial corporations sector.
7. Head office to be allocated to the institutional sector of the majority of its subsidiaries.
8. Sub-sector for non-profit institutions introduced.

9. Definition of financial services enlarged.
10. Subsectoring of the financial corporation sector revised to reflect new developments in financial services, markets and instruments.
11. Research and development is not an ancillary activity.
12. Method for calculating financial intermediation services indirectly measured (FISIM) refined.
13. Output of central bank clarified.
14. Recording of the output of non-life insurance services improved.
15. Valuation of output for own final use by households and corporations to include a return to capital.
16. Extension and further specification of the concepts of assets, capital formation and consumption of fixed capital.
17. Change of economic ownership introduced.
18. Asset boundary extended to include research and development cost.
19. Revised classification of assets introduced.
20. Extension of the assets boundary and government gross capital formation to include expenditure on weapons systems.
21. The asset category "computer software" modified to include databases.
22. The concept of capital services introduced
23. Treatment of costs of ownership transfer elaborated.
24. Treatment of mineral exploration and evaluation, land improvements.
25. Water resources treated as an asset in some cases.
26. Consumption of fixed capital to be measured at the average prices of the period with respect to a constant-quality price index of the asset concerned.
27. Definition of cultivated biological resources made symmetric to uncultivated resources.



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28. Intellectual property products introduced.
  29. Concept of resource lease for natural resources introduced.
  30. Changes in the items appearing in the other changes in the volume of assets account introduced.
  31. Treatment of securities repurchase agreement clarified.
  32. Treatment of employee stock options described.
  33. Treatment of non-performing loans elaborated.
  34. Reinsurance similarly treated as direct insurance.
  35. Originals and copies recognized as distinct products.





## GLOSSARY

### **Financial Corporations**

Financial Corporations consist of all resident corporations that are principally engaged in providing financial services, including insurance and pension funding services, to other institutional units. The production of financial services is the result of financial intermediation, financial risk management, liquidity transformation or auxiliary financial activities. The financial corporations sector can be divided into eight sub sectors according to its activity in the market and the liquidity of its liabilities.

### **Deposit Taking Corporations**

Deposit taking corporations except the central bank have financial intermediation as their principal activity. To this end, they have liabilities in the form of deposits or financial instruments (such as short term certificates of deposit) that are close substitutes for deposits. The liabilities of deposit taking corporations are typically included in measures of money broadly defined. These include commercial banks, specialized banks, DFI, monetary & financial institutions and NBFC's.

### **Other Financial Intermediaries**

Other financial intermediaries except insurance corporations and pension funds consist of financial corporations that are engaged in providing financial services by incurring liabilities, in

forms other than currency, deposits or close substitutes for deposits, on their own account for the purpose of acquiring financial assets by engaging in financial transactions on the market. These include discount houses, venture capital companies, mutual funds, housing finance companies, exchange companies and cooperative banks except Punjab Provincial Cooperative Bank.

### **Financial Auxiliaries**

Financial auxiliaries consist of financial corporations that are principally engaged in activities associated with transactions in financial assets and liabilities or with providing the regulatory context for these transactions but in circumstances that do not involve the auxiliary taking ownership of the financial assets and liabilities being transacted. Financial Auxiliaries include money changers, stock brokers and other institutions that provide auxiliary services.

### **Money Market Funds (MMF)**

The money market funds are those that invest in money market instruments. Money market funds are collective investment schemes that raise funds by issuing shares or units to the public. The proceeds are invested primarily in money market instruments, MMF shares or units, transferable debt instruments with a residual maturity of not more than one year, bank deposits and instruments that pursue a rate of return that approaches the interest rates.

### **Non-Money-Market Funds (NMMF)**

The non-money market funds are those that invest in stock markets and other non-money market instruments. Non-money market Funds are collective investment schemes that raise funds by issuing shares or units to the public. The proceeds are invested predominantly in financial assets other than short term assets and in non-financial assets (usually real estate). Investment fund shares or units are generally not close substitutes for deposits. They are not transferable by means of cheque or direct third-party payments.

### **Pension Funds**

Pension liabilities arise when an employer or government obliges or encourages members of households to participate in a social insurance scheme that will provide income in retirement. The social insurance schemes may be organized by employers or by government, they may be organized by insurance corporations on behalf of employees or separate institutional units may be established to hold and manage the assets to be used to meet the pensions and to distribute

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the pensions. The pension fund sub-sector consists of only those social insurance pension funds that are institutional units separate from the units that create them.

### **Insurance Companies**

Insurance corporations consist of incorporated, mutual and other entities whose principal function is to provide life, accident, sickness, fire or other forms of insurance to individual institutional units or groups of units or reinsurance services to other insurance corporations. Captive insurance is included, that is, an insurance company that serves only its owners. Deposit insurers, issuers of deposit guarantees and other issuers of standardized guarantees that are separate entities and act like insurers by charging premiums and have reserves, are classified as insurance corporations. Postal Life Insurance is also covered under this sector.

### **Central Bank**

The central bank is the national financial institution that exercises control over key aspects of the financial system. As long as the central bank is a separate institutional unit, it is always allocated to the financial corporations sector even if it is primarily a non-market producer.

### **Non-Financial Corporations**

Non-financial corporations are corporations whose principal activity is the production of market goods or non-financial services.

#### **Non-Financial Private Corporations**

This includes privately owned and/or controlled enterprises primarily engaged in non-financial activities, which are: Incorporated enterprises, e.g. corporations, joint stock companies, limited liability partnerships, non credit cooperatives and other forms of business associations which are registered under company and similar laws, acts or regulations and recognized as legal entities.

#### **Non-Financial Public Corporations**

This sub-sector covers enterprises principally engaged in non-financial activities owned or controlled by public authorities incorporating public corporations by virtue of company law or other public acts, special legislation or administrative regulations. It also holds and manages the financial assets and liabilities as well as the tangible assets involved in the business

and that sells most of the goods or non-financial services it provides to the public. These enterprises do not hold and manage financial assets and liabilities apart from their working balances and accounts receivables/payable. As a practical rule, government corporations are considered publicly owned or controlled if either the government holds major shares or the government representatives constitute a majority on the board or government effectively controls the operations of the organization. This also includes the quasi-corporations, which are financially integrated with the federal government (government enterprises) e.g. Pakistan Railways, Pakistan Post Office. These include both listed and non listed companies having effective government control/management.

### **General Government**

General Government includes federal government, provincial governments, local governments and governmental NPI's. The data related to provincial and federal NPI's have been merged into respective governments.

### **Federal Government**

This includes all departments, offices, establishments and other bodies, an instrument of the federal government (other than those included elsewhere as financial institutions and non-financial public enterprises) irrespective of whether these agencies are covered in ordinary or extra ordinary government budgetary accounts or extra-budgetary funds.

### **Provincial Government**

All departments, offices, establishments and bodies, constitute provincial and local governments. Included are the four provincial and the local government institutions e.g. district councils, municipal committees / corporations, town committees, union councils and rural works programs.

### **Federal and Provincial Government NPI's**

Non-profit institutions are legal or social entities created for the purpose of producing goods and services, whose status does not permit them to be a source of income, profit or financial gain. The NPI's financed and controlled by federal or provincial governments are properly constituted legal entities exist separately from governments but are financed and regulated mainly by governments. The universities, colleges, boards of educations, research institutions and academies are included in this category.

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## **Other Residents' Sector**

This is the residual sector comprising the individuals, households, non-government non-corporate enterprises of farm/firm business and non-farm/firm business (like sole proprietorship and partnership), trusts and non-profit institutions. It is defined as a group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food. In general, each member of a household should have some claim upon the collective resources of the household. At least some decisions affecting consumption or other economic activities must be taken for the household as a whole.

## **Rest of the World**

The rest of the world consists of all non-resident institutional units that enter into transactions with resident units, or have other economic links with resident units. It is not a sector for which complete sets of accounts have to be compiled, although it is often convenient to describe the rest of the world as if it were a sector. The accounts, or tables, for the rest of the world are confined to those that record transactions between residents and non-residents or other economic relationships, such as claims by residents on non-residents, and vice versa. The rest of the world includes certain institutional units that may be physically located within the geographic boundary of a country; for example, foreign enclaves such as embassies, consulates or military bases, and also international organizations. It covers transactions of resident units with all non-resident units covering Pakistan nationals abroad, foreign nationals and international institutions.

## **Monetary Gold & SDR's**

### **Monetary Gold**

The gold held by the State Bank of Pakistan as a financial asset and as a component of foreign reserves. Other gold including non-reserve gold held by SBP is classified as a commodity. Monetary gold is not traded, except between central banks and occasionally with international organizations such as the International Monetary Fund.

### **Special Drawing Rights (SDR's)**

SDR's are international reserve assets kept by IMF and allocated to member country to supplement its existing reserve assets. SDR holdings confer unconditional rights to obtain

foreign exchange or other reserve assets from other IMF members.

## **Currency and Deposits**

### **National Currency**

Notes and coins of fixed nominal values accepted as legal tender in an economy, issued by the central bank and/or government. Notes are promissory notes (or bank notes) issued by State Bank of Pakistan in various denominations, with the promise to pay the said denomination (face value) in Pakistani rupee when called for payment. These are issued with the guarantee of the government of Pakistan. Coins are the currency coins issued with various denominations of currency units. This category should also include currency that is no longer legal tender, but that can be exchanged immediately for current legal tender. The commemorative coins have been excluded and counted as valuables under non-financial assets while analyzing the balance sheets of various sectors of the economy.

### **Foreign Currency**

All foreign currency notes and coins are liability of the foreign governments or non-resident issuing authorities/central banks. These are claims of the economy upon non-residents. While analyzing the balance sheets of various sectors of the economy the valuation changes were estimated by applying \$ rate of reference date on the opening/closing balances and average \$ rate on the transactions and item valuation adjustment on liability side has been used to set off its effect.

### **Transferable Deposits**

All demand deposits in national or in foreign currency, i.e. exchangeable on demand at par without penalty or restriction, freely transferable by cheque or otherwise, commonly used to make payments are known as transferable deposits. These deposits include special savings accounts with a possibility of direct payments to third parties, savings accounts balances subject to automatic transfer to regular transferable deposits, and money-market fund that have unrestricted third-party transferability privileges. Transferable deposits that are held in banks in the process of liquidation have been excluded and classified as restricted deposits because these cannot be immediately used for direct third-party payments. Deposits denominated in national currency have been taken at book value (outstanding amount plus accrued interest). This category includes transferable deposits with SBP, deposit money institutions, or with non-residents.



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### **Other Transferable Deposits**

Other transferable deposits are those where one party or both parties to the transaction, or either the creditor or debtor or both of the positions, is not a bank.

### **Other Deposits**

Other deposits comprise all claims and obligations other than transferable deposits in national currency or in foreign currency that are represented by evidence of deposits. Other deposits include: Sight deposits (which permit immediate cash withdrawals but not direct third-party transfers). Non-transferable savings deposits and term deposits, financial corporations liabilities in the form of shares or similar evidence of deposits that are legal or in practice, redeemable immediately or at relatively short notice, shares of money-market funds that have restrictions on third-party transferability, call money deposits, margin payments related to options or futures contracts are very short-term repurchase agreements.

### **Restricted Deposits**

The deposits for which withdrawals are restricted on the basis of legal, regulatory, or commercial requirements are called restricted deposits. Restricted deposits include compulsory savings deposits like import deposits, and similar types of deposits related to international trade, security deposits, margin deposits, sundry deposits, and deposits in financial corporations that are closed pending liquidation or reorganization.

### **Inter-bank Positions**

Though not strictly accurate, the term bank is frequently used as a synonym for the central bank and other deposit-taking corporations. Banks take deposits from and make loans to all other sectors. There may also be substantial borrowing and lending within the banking sub sector, but this is of different economic significance from their intermediation activities involving other sectors.

### **Debt Securities**

Debt securities are negotiable instruments serving as evidence of a debt. Financial assets that are normally traded in the financial markets and give the holders unconditional right to receive stated fixed sums on a specified dates or unconditional right to fixed money incomes or contractually determined variable money incomes. These securities have been classified as

short-term and long-term securities other than shares. These include Government treasury bills, Federal government bonds, Federal investment bonds, Commodity bonds, Pakistan investment bonds, Corporate bonds and Debentures, Negotiable certificates of deposits (non negotiable have been categorized under deposits), Commercial paper, TFC's, PTC's, Modaraba certificates, and negotiable securities backed by loans or other assets. Preferred stock or shares that pay a fixed income but do not provide for participation in the distribution of residual value of an incorporated enterprise on dissolution have also been included in this category.

### **Loans**

Loans are financial or other assets by a lender to a borrower in return for an obligation to repay on a specified date or dates, or on demand, usually with mark-up or interest. The value of a domestic currency loan is the amount of the creditor's outstanding claim (equal to the debtor's obligation), which comprises the outstanding principal amount plus any accrued interest (i.e., interest earned but not yet due for payment). Financial liabilities of corporations are created when creditors (financial institutions) directly lend funds to them. They include repurchase arrangements not included in national broad money definitions (Repo), money at call, export refinance from SBP, borrowing under LMM / LMFR from SBP, borrowings from financial institutions abroad, financial leases, subordinated Loans. Borrowings have further been classified by short-term and long-term.

### **Equity and Investment Fund Shares**

All instruments and records acknowledging claims to the residual value of companies/corporations, after the claims of all creditors have been met are categorized as shares and other equity. Stock or share most commonly refers to a share of ownership in a company including the right to a fraction of the assets of the company, a fraction of the decision-making power, and potentially a fraction of the profits, which the company may issue as dividends. Preferred stocks or shares have also been included in this category. Investment in mutual funds and NIT units has also been put under this category, for the reason that it gives rise to the equity of issuing institution.

### **Listed Shares**

Listed shares are equity securities listed on an exchange (SECP). They are also referred to as quoted shares. The existence of quoted prices of shares listed on an exchange means that current market prices are usually readily available.

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## **Unlisted Shares**

Unlisted shares are equity securities not listed on an Exchange (SECP). Unlisted shares tend to be issued by subsidiaries and smaller scale enterprises and typically have different regulatory requirements but neither qualification is necessarily the case.

## **Insurance, Pension and Standardized Guarantee Schemes**

Insurance, pension and standardized guarantee schemes all function as a form of redistribution of income or wealth mediated by financial institutions. The redistribution may be between individual institutional units in the same period or for the same institutional unit over different periods or a combination of the two. Units participating in the schemes contribute to them and may receive benefits (or have claims settled) in the same or later periods. While they hold the funds, insurance corporations invest them on behalf of the participants. The part of the investment income that is distributed to the participants as property income is returned as extra contributions.

### **Non-Life Insurance Technical Reserves**

Non-life insurance technical reserves consist of prepayments of net non-life insurance premiums and reserves to meet outstanding non-life insurance claims.

### **Life Insurance & Annuities Entitlements**

Life insurance and annuities entitlements show the extent of financial claims policyholders have against an enterprise offering life insurance or providing annuities. The only transaction for life insurance and annuity entitlements recorded in the financial account is the difference between net premiums receivable and claims payable.

## **Financial Derivatives**

Financial derivatives are financial instruments that are linked to a specific financial instrument or indicator or commodity, through which specific financial risks can be traded in financial markets in their own right.

### **Options**

Options are contracts that give the purchaser of the option the right, but not the obligation, to buy (a call option) or to sell (a put option) a particular financial instrument or commodity at a

predetermined price (the strike price) within a given time span (American option) or on a given date (European option).

### **Forwards**

Under a forward contract, the two counter parties agree to exchange a specified quantity of an underlying item (a particular product or financial asset) at an agreed contract price (the strike price) on a specified date. Futures contracts are forward contracts traded on organized exchanges. A forward contract is an unconditional financial contract that represents an obligation for settlement on a specified date. Futures and other forward contracts are typically, but not always, settled by the payment of cash or the provision of some other financial instrument rather than the actual delivery of the underlying item and therefore are valued and traded separately from the underlying item.

### **Employee Stock Options (ESO's)**

An employee stock option is an agreement made on a given date (the grant date) under which an employee may purchase a given number of shares of the employer's stock at a stated price (the strike price) either at a stated time (the vesting date) or within a period of time (the exercise period) immediately follow the vesting date.

### **Other Accounts Receivable/Payable**

Other accounts receivable are assets consisting of trade credit and advances, dividends receivable, settlement accounts, items in the process of collection, accrued income, head office/ inter-branch adjustment, expenditure account, suspense items and miscellaneous asset items, etc. Other accounts payable consist of provision for loan losses, provision for other losses, accumulated depreciation, adjustment for head office / branch, dividends payable, settlement accounts, suspense accounts, deferred tax liabilities, accrued wages, rent, social contributions, accrued taxes, mark-up/return/interest payable, mark-up on NPL & investment, income account, miscellaneous liability items.

### **Non-Financial Assets**

Entities that give its owners economic benefits by holding them or using them over a period of time are called non-financial assets. Non-financial assets consist of tangible assets, both

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produced and non-produced, and intangible assets for which no corresponding liabilities are recorded.

### **Produced Assets**

Produced assets comprise non-financial assets acquired as outputs from production processes. There are three main types of produced assets: fixed assets, inventories and valuables. Both fixed assets and inventories are assets that are held only by producers for purposes of production. Valuables may be held by any institutional unit and are primarily held as stores of value.

**Fixed assets** that are used repeatedly, or continuously, in production processes for more than one year and that may be tangible (dwellings, other buildings and structures, machinery and equipment, and cultivated assets, such as livestock for breeding and plantations) or intangible (mineral exploration, computer software, and entertainment, literary, or artistic originals).

**Inventories** are produced assets that consist of goods and services, which came into existence in the current period or in an earlier period, and that are held for sale, use in production or other use at a later date. Inventories consist of materials and supplies, work-in-progress, finished goods, and goods for resale

**Valuables** are produced goods of considerable value that are not used primarily for purposes of production or consumption but are held as stores of value over time. They consist of precious metals and stones, jewelery, works of art, commemorative coins etc.

### **Non-Produced Assets**

These are both tangible and intangible assets acquired through other than processes of production. Tangible non-produced assets include land, subsoil assets, water resources, etc. Intangible non-produced assets include patents, leases, and purchased goodwill.

### **Valuation Adjustment**

Valuation adjustment represents the net opposite of all changes (surplus/deficit on revaluation) in the values of assets and liabilities on the balance sheets of a corporation except for valuation changes recorded in the profit and loss accounts. The valuation adjustment is market valued by definition.

