

# *Flow of Funds Accounts of Pakistan*

2014-15

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

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



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2014-15

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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. The department strives to cope with the data needs of internal and external stakeholders and to fulfill the requirements of international institutions. The data compilation methodologies and procedures are aligned with international guidelines for harmonization with the international standards and comparability.

The flow of funds accounts for FY15 have been prepared from the data collected from various 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 2014-15 contain a brief description of theoretical framework pertaining to detailed flow of funds, financial, capital accounts and stocks of non-financial corporate, general government and other sectors of Pakistan economy. The flow of funds accounts highlights statistical relationship of financial activities of all sectors of the economy with one another and 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*

Director





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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 was prepared by SBP under the guidelines of System of National Accounts - 68 (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 updated SNA and released SNA-2008 for the compilation of national accounts. State Bank of Pakistan (SBP) implemented SNA-2008 and compiled the Flow of Funds Accounts 2012-13 and onward accordingly. The compilation of accounts are in complete harmony with SNA guidelines for 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 institutional units' 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 among 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 current and capital receipts & payments while the financial flows display the changes in financial claims. 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 Sectors of Economy**

A significant element in the preparation of flow of funds accounts is the appropriate grouping of commonly identifiable economic units (institutional 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 sectors and sub-sectors classification is as following:

1. Non-financial corporations
  - a) Public non-financial corporations
  - b) National private non-financial corporations
  - c) Foreign controlled non-financial corporations
2. Financial corporations
  - a) Central bank
  - b) Deposit taking corporations except the central bank
  - c) Money market funds
  - d) Non-money market funds
  - e) Other financial intermediaries except insurance corporations and pension funds
  - f) Financial auxiliaries
  - g) Captive financial institutions and money lenders
  - h) Insurance corporations
  - i) Pension funds
3. General government
  - a) Federal government including NPIs and excluding public corporations
  - b) Provincial & local governments including NPIs and excluding public corporations
4. Households and non -profit institutions serving households (NPISH)
5. Rest of the world

## OVERVIEW

Total financial assets outstanding amounted to Rs. 48,569.6 billion at the end of 2014-15, depicting an increase of Rs. 3,748.6 billion (8.4%) from the end of the previous year. In similar fashion, total financial liabilities outstanding amounted to Rs. 69,170.9 billion at the end of the period under review, reflecting an increase of Rs. 5,934.0 billion (9.4%) from the end of the previous year.

The outstanding financial assets of households and nonprofit institutions serving households (NPISH) increased by Rs. 1,137.4 billion (10.4%) from the end of 2013-14 to Rs. 12,052.4 billion. Similarly, debts increased by Rs. 51.8 billion (3.1%) to Rs. 1,703.4 billion. As the financial assets of households & NPISH increased at a faster pace than their debts, the net financial assets (financial assets- debt) of households & NPISH increased by Rs. 1,085.7 billion (11.7%) from Rs. 9,263.3 billion at the end of the previous year to Rs. 10,348.9 billion. On similar fashion, the ratio of financial assets to debt of households & NPISH rose from 6.61 times at the end of the previous year to 7.08 times.

The scale of the non-financial corporate sector's fund-raising decreased from Rs. 1,612.2 billion over the previous year to Rs. 688.3 billion, influenced by a sharp decrease in borrowings from deposit taking institutions (Rs. 464.4 billion - Rs. 212.8 billion) and shares capital (Rs. 784.0 billion - Rs. 312.2 billion). Similarly, the scale of the non-financial corporate sector's funds utilization decreased from previous year's Rs. 1,628.3 billion to Rs. 645.6 billion during 2014-15. The non-financial corporate sector's financial deficit was Rs. -16.1 billion in the previous year as against Rs. 42.8 billion surplus in this fiscal year.

In the case of households & NPISH, the scale of fund raising decreased whereas fund utilization increased. The scale of the funds surplus increased from Rs. 726.2 billion in the previous year to Rs. 1,108.3 billion.

The scale of funds raised by the government sector decreased from Rs. 1,984.5 billion in the previous year to Rs. 1,364.2 billion. The amount of funds utilized by the government sector also decreased from Rs. 936.0 billion in the previous year to Rs. 74.2 billion. As a result of decrease in the volume of fund raising and fund utilization, the scale of the funds surplus decreased from Rs. -1,048.5 billion of the previous year to Rs. -1,290.0 billion in





13.9%) drop, but those of currencies and deposits (32.7% - 34.4%), debt securities (24.7% - 25.3%) and loans & advances (12.7% - 13.9%) rose.

Table 2.1: Trends of Total Financial Assets - Year End

	(Year End - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Total Financial Assets</b>	<b>32,377,054</b>	<b>35,356,400</b>	<b>40,354,265</b>	<b>44,820,934</b>	<b>48,569,564</b>
<b>Changes (%)</b>	<b>12.8</b>	<b>9.2</b>	<b>14.1</b>	<b>11.1</b>	<b>8.4</b>
Currency & Deposits	10,207,930 <i>31.5</i>	10,948,432 <i>31.0</i>	12,110,241 <i>30.0</i>	14,650,933 <i>32.7</i>	16,729,392 <i>34.4</i>
Debt Securities	6,519,970 <i>20.1</i>	7,881,093 <i>22.3</i>	9,866,827 <i>24.5</i>	11,074,479 <i>24.7</i>	12,293,961 <i>25.3</i>
Loans & Advances	5,362,991 <i>16.6</i>	5,462,836 <i>15.5</i>	5,948,434 <i>14.7</i>	5,676,786 <i>12.7</i>	6,742,540 <i>13.9</i>
Shares Capital	1,915,130 <i>5.9</i>	2,068,911 <i>5.9</i>	2,175,208 <i>5.4</i>	3,008,441 <i>6.7</i>	2,797,543 <i>5.8</i>
Trade Credit & Advances	2,618,281 <i>8.1</i>	2,847,784 <i>8.1</i>	2,880,574 <i>7.1</i>	3,644,350 <i>8.1</i>	3,256,983 <i>6.7</i>
Other Accounts Receivables <sup>2</sup>	5,752,752 <i>17.8</i>	6,147,344 <i>17.4</i>	7,372,981 <i>18.3</i>	6,765,945 <i>15.1</i>	6,749,145 <i>13.9</i>

Notes:

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

2) 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. 69,170.9 billion at the end of 2014-15, an increase of 9.4 percent from the end of the previous year. Viewing the trends of the components of financial liabilities the weights of currencies & deposits (23.2% - 23.4%), debt securities (17.8% - 18.2%) and other accounts payable (14.7% - 16.4%) increased. Whereas, those of loans & advances (25.1% - 24.0%), shares capital (14.3% - 13.5%) and trade credit & advances (4.9% - 4.5%) decreased.

Table 2.2: Trends of Total Financial Liabilities

	(Year End - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Total Financial Liabilities</b>	<b>46,384,196</b>	<b>51,349,170</b>	<b>57,146,745</b>	<b>63,236,819</b>	<b>69,170,853</b>
<b>Changes (%)</b>	<b>13.6</b>	<b>10.7</b>	<b>11.3</b>	<b>10.7</b>	<b>9.4</b>
Currency & Deposits	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>	16,165,450 <i>23.4</i>
Debt Securities	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>	12,613,308 <i>18.2</i>
Loans & Advances	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>	16,588,741 <i>24.0</i>
Shares Capital	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>	9,345,213 <i>13.5</i>
Trade Credit & Advances	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>	3,129,092 <i>4.5</i>
Other Accounts Payables <sup>2</sup>	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>	11,329,049 <i>16.4</i>

Notes:

1) Figures in *italic* represent shares in total liabilities.

2) 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 10.4 percent from Rs. 10,914.9 billion at the end of 2013-14 to Rs. 12,052.4 billion at the end of 2014-15.

Table 2.3: Financial Assets Outstanding of the Households and NPISH

	(Year End - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Financial Assets</b>	<b>7,859,794</b>	<b>8,966,918</b>	<b>10,806,146</b>	<b>10,914,945</b>	<b>12,052,389</b>
<b>Changes (%)</b>	<b>11.9</b>	<b>14.1</b>	<b>20.6</b>	<b>1.0</b>	<b>10.4</b>
Currency & Deposits	4,784,726	5,520,107	6,527,856	7,527,497	8,691,260
Debt Securities	1,823,799	2,013,223	2,207,054	2,465,868	2,663,515
Insurance & Pension Reserves	286,280	347,031	391,159	101,047	141,710
Shares Capital	337,249	348,620	340,666	354,524	374,124
Other Accounts Receivables <sup>1</sup>	627,740	737,937	1,339,411	466,010	181,781

Notes:

1) Include trade credit & advances, loans etc

Viewing the trends of the components of financial assets of households & NPISH, the weights of debt securities (22.6% - 22.1%), shares capital (3.2% - 3.1%) and others (include trade credit & advances and loans) (4.3% - 1.5%) drop. Whereas, those of currency & deposits (69.0% - 72.1%) and insurance and pension (0.9% - 1.2%) rose.

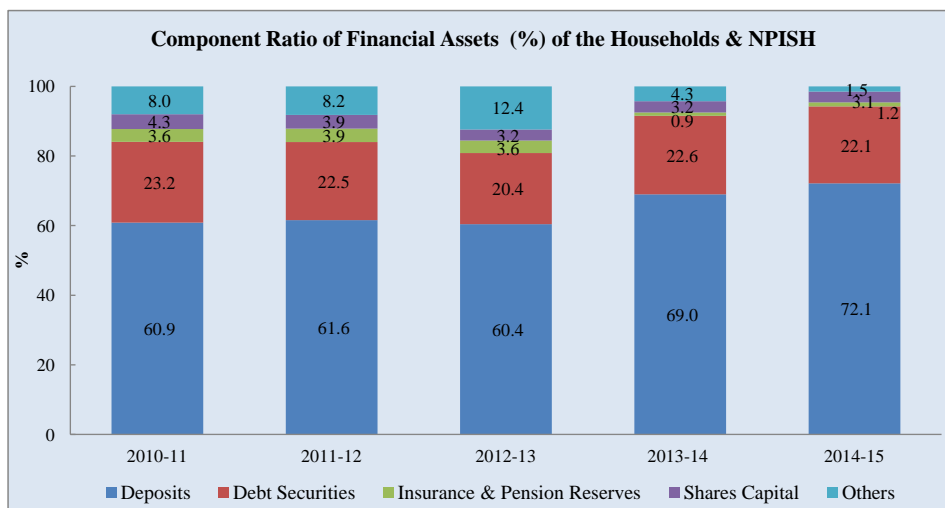


Figure 2.2: Component Ratio of Financial Assets of Households & NPISH

The financial liabilities of households & NPISH increased by 3.1 percent from Rs. 1,651.7 billion at the end of 2013-14 to Rs. 1,703.4 billion, compared to 56.1 percent increase in the previous year. Viewing the details of the composition of financial debts of households & NPISH, the weight of borrowings from other (57.0% - 52.5%) drop, but that of borrowings from deposits taking corporations (40.6% - 44.7%), borrowings from Insurance

& Pension Funds (0.0% - 0.1%) and borrowings from non-financial corporate sector (1.2% - 1.6%) increased. Whereas, borrowings from non banking financial corporation (1.1% - 1.1%) remain unchanged,

Table 2.4: Financial Debts Outstanding of the Households &amp; NPISH

	(Year End - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Financial Debt</b>	<b>1,327,094</b>	<b>1,033,875</b>	<b>1,058,423</b>	<b>1,651,678</b>	<b>1,703,443</b>
<b>Changes (%)</b>	<b>41.1</b>	<b>-22.1</b>	<b>2.4</b>	<b>56.1</b>	<b>3.1</b>
Borrowing From Central Bank	15,900	16,975	17,861	17,854	19,033
Borrowing From DTC's <sup>1</sup>	611,097	634,339	684,185	670,905	760,737
Borrowing From NBFC's <sup>2</sup>	31,569	6,238	306	165	107
Borrowing From NFPSE's	23,912	26,765	22,525	19,999	27,980
Insurance & Pension Funds	20,259	24,090	28,091	701	948
Others <sup>3</sup>	624,356	325,467	305,456	942,055	894,639

Notes:

1) Loans extended by commercial banks.

2) Loans extended by other deposit accepting institutions, financial intermediaries &amp; financial auxiliaries.

3) Trade credits, miscellaneous financial debts, etc.

At the end of 2014-15, the net financial assets of households & NPISH stood at Rs. 10,348.9 billion having increased by Rs. 1,085.7 billion from Rs. 9,263.3 billion at the end of the previous year. A small increase of Rs. 51.8 billion in the debts of households & NPISH was offset by the expansion of Rs. 1,137.4 billion in holdings of financial assets.

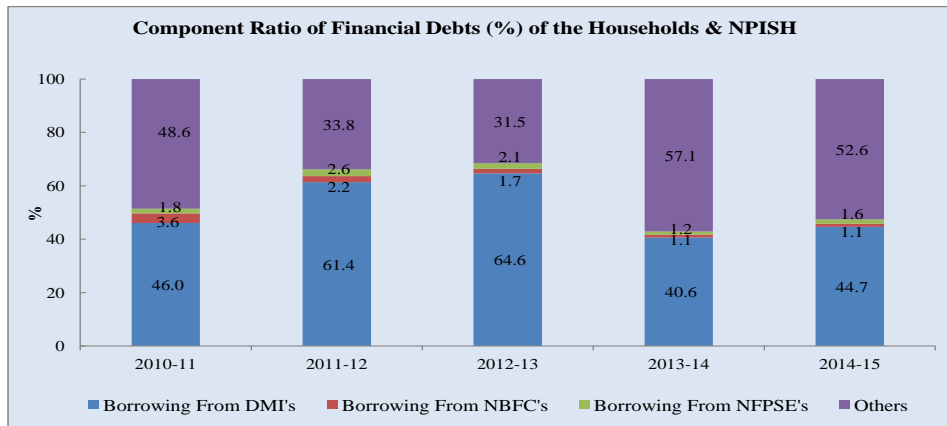


Figure 2.3: Component Ratio of Financial Debt of Households &amp; NPISH

Table 2.5: Trend of Net Financial Assets of the Households &amp; NPISH

	(Year End - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Financial Assets (A)	7,859,794	8,966,918	10,806,146	10,914,945	12,052,389
	<i>837,454</i>	<i>1,107,124</i>	<i>1,839,228</i>	<i>108,799</i>	<i>1,137,444</i>
Financial Debts (B)	1,327,094	1,033,875	1,058,423	1,651,678	1,703,443
	<i>386,552</i>	<i>(293,219)</i>	<i>24,548</i>	<i>593,255</i>	<i>51,765</i>
<b>Net Financial Assets (A-B)</b>	<b>6,532,700</b>	<b>7,933,043</b>	<b>9,747,723</b>	<b>9,263,267</b>	<b>10,348,945</b>
	<i>450,902</i>	<i>1,400,343</i>	<i>1,814,680</i>	<i>(484,456)</i>	<i>1,085,678</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 increased from 6.61 times at the end of 2013-14 to 7.08 times as financial assets increased at a faster pace than financial debts.

Table 2.6: Financial Ratio of the Households &amp; NPISH

	(Year End - Time)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Financial Assets	7,859,794	8,966,918	10,806,146	10,914,945	12,052,389
Financial Debts	1,327,094	1,033,875	1,058,423	1,651,678	1,703,443
<b>Financial Ratio (A/B)</b>	<b>5.92</b>	<b>8.67</b>	<b>10.21</b>	<b>6.61</b>	<b>7.08</b>

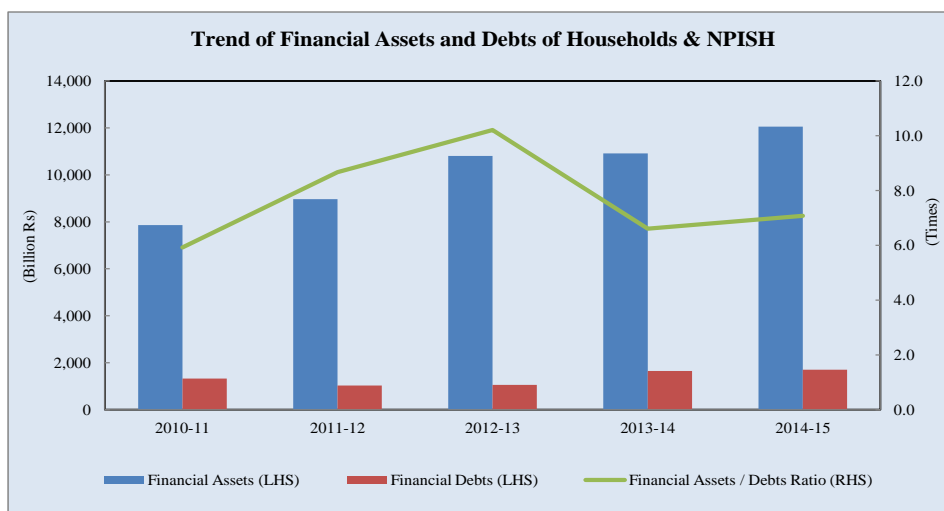


Figure 2.4: Trend of Financial Assets &amp; Debt of Households &amp; NPISH

## 2.2 Financial Transactions Characteristics by Sector

### 2.2.1 Non-Financial Corporate Sector

#### 2.2.1.1 Fund Raising

During the year 2014-15, the volume of fund-raising of the non-financial corporate sector decreased by Rs. 923.8 billion to Rs. 688.3 billion from the previous year's of Rs 1,612.2 billion, centering on borrowings from deposit-taking institutions and shares capital.

Looking at the pattern of fund-raising by the non-financial corporate sector, the amount of indirect financing drop to Rs. 256.8 billion from Rs. 470.2 billion of the previous year. The volume of fund-raising through direct financing decreased from Rs. 885.0 billion in the preceding year to Rs. 420.5 billion owing to an decrease in the share capital. Fund-raising from others drop from Rs. 305.5 billion in the preceding year to Rs. -1.3 billion. Whereas, fund-raising from overseas increased from Rs. -48.6 billion to Rs. 12.3 billion during the period under review.

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 2014-15 increased from 29.2 percent of the previous year to 37.3 percent, the fund-raising through direct financing rose from 54.9 percent of the previous

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

year to 61.1 percent and other accounts payable during the period under review decreased from 19.0 percent of the previous year to -0.2 percent. Similarly, the ratio of fund-raising from overseas increased from -3.0 percent of the previous year to 1.8 percent.

Table 2.7: Fund Raising by the Non-financial Corporation Sector

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Raising</b>	<b>844,114</b>	<b>1,240,743</b>	<b>864,510</b>	<b>1,612,170</b>	<b>688,331</b>
<b>Indirect Finance<sup>1</sup></b>	<b>292,648</b>	<b>230,497</b>	<b>232,413</b>	<b>470,234</b>	<b>256,845</b>
Borrowing From NFPSE's	86,743	(4,310)	124,430	(11,049)	(7,797)
Borrowing From Central Bank	-	-	39,294	-	(4,847)
Borrowing From DTC's	142,734	152,477	1,925	464,351	212,792
Borrowing From NBFC's	874	6,159	1,556	(1,029)	(1,305)
Borrowings from Government	56,627	74,120	61,168	15,746	12,060
Borrowings from Other Resident Sec.	5,670	2,052	4,041	2,216	45,941
<b>Direct Finance<sup>2</sup></b>	<b>323,919</b>	<b>(12,403)</b>	<b>250,682</b>	<b>885,043</b>	<b>420,490</b>
Deposits	43,513	23,282	38,645	72,173	91,854
Debt Securities	5,957	(175,578)	(7,882)	28,894	16,467
Shares Capital	274,449	139,894	219,919	783,975	312,170
<b>Borrowings from Overseas<sup>3</sup></b>	<b>58,509</b>	<b>48,544</b>	<b>75,110</b>	<b>(48,642)</b>	<b>12,315</b>
<b>Other Accounts Payable<sup>3</sup></b>	<b>169,037</b>	<b>974,105</b>	<b>306,306</b>	<b>305,535</b>	<b>(1,319)</b>

Notes:

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

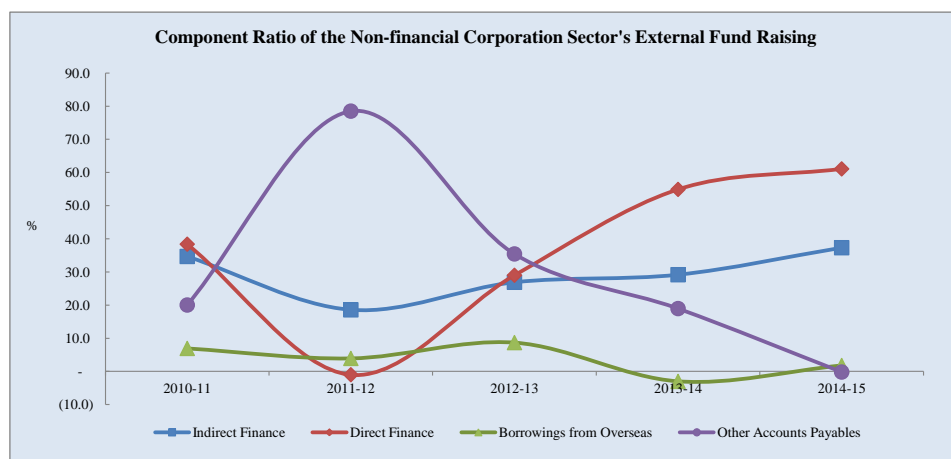


Figure 2.5: Component Ratio of Non-financial Corporation Sector's Fund Raising

### 2.2.1.2 Fund Utilization

During 2014-15, the scale of the non-financial corporate sector's funds utilization decreased from previous year's Rs. 1,628.3 billion to Rs. 645.6 billion. Viewing the pattern of funds utilization by type of financial instrument, the sector's utilization of currency & deposits, loans, shares capital and foreign claims increased, whereas debt securities, insurance & technical reserves and other accounts receivable decreased significantly which resulted in decrease in overall sector's utilization.

Table 2.8: Fund Utilization by the Non-Financial Corporation Sector

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Utilization</b>	<b>327,963</b>	<b>1,008,243</b>	<b>556,192</b>	<b>1,628,300</b>	<b>645,580</b>
Currency & Deposits	301,761	233,120	390,095	348,295	400,645
<i>Currency</i>	2,212	2,519	21,107	(13,829)	(3,680)
<i>Transferable deposits</i>	215,568	126,834	308,962	308,827	395,695
<i>Other transferable deposits</i>	15,266	25,378	28,746	56,067	64,366
<i>Other deposits</i>	68,716	78,389	31,280	(2,769)	(55,736)
Debt Securities	19,816	48,964	155,238	30,839	(76,223)
Loans Extended	7,156	(9,333)	(10,965)	(18,504)	4,974
Shares Capital	24,962	(2,260)	77,053	36,308	78,855
Insurance & Technical Reserves	9,463	5,412	6,854	404,066	1,849
Foreign Claims	93,099	(5,441)	37,595	(8,880)	(412)
Other Accounts Receivable <sup>1</sup>	(128,294)	737,782	(99,678)	836,176	235,893

Note:

1) Include trade credits, bills receivable, etc

### 2.2.1.3 Financial Deficit

In the year 2014-15, the financial deficit (fund raising - fund utilization = investment - savings) of the non-financial corporate sector decreased to Rs. 42.8 billion from Rs. -16.1 billion of the previous year.

Table 2.9: Non-Financial Corporation Sector's Funds Shortage

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Fund Raising	844,114	1,240,743	864,510	1,612,170	688,331
Fund Utilization	327,963	1,008,243	556,192	1,628,300	645,580
<b>Funds Shortage<sup>1</sup></b>	<b>516,151</b>	<b>232,500</b>	<b>308,318</b>	<b>(16,130)</b>	<b>42,751</b>

Note:

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

### 2.2.2 Households & NPISH

During the year 2014-15, the amount of funds raised by households & NPISH came to Rs. -44.4 billion, a sharp decrease from the previous year's of Rs. 223.9 billion. By type of financial institution, fund raising through deposit taking corporations (Rs. -16.9 billion - Rs. 87.8 billion), insurance (Rs. -27.4 billion - Rs. 0.02 billion) and central bank (Rs. 0.0 billion - Rs. 1.2 billion) increased, whereas fund-raising through non banking financial corporation's (Rs. 0.07 billion - Rs. -0.06 billion), non-financial corporation's (Rs. 2.3 billion - Rs. 1.6 billion) and others (Rs. 265.8 billion - Rs. 135.0 billion) decreased.

The volume of households & NPISH utilization of funds increased to Rs. 1,063.9 billion from the previous year's of Rs. 950.1 billion. Looking at the pattern of funds utilization, currency & deposits at financial institutions

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

increased from previous year's of Rs. 796.5 billion to Rs. 1,010.1 billion due to an increase in currency, other transferable deposits and other deposits, although the transferable deposits decreased.

Table 2.10: Fund Raising and Utilization by the Households & NPISH

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Raising (A)</b>	<b>(314,344)</b>	<b>59,486</b>	<b>697</b>	<b>223,859</b>	<b>(44,433)</b>
Borrowing From Central Bank	963	1,075	886	(7)	1,179
Borrowing From DTC's	(75,100)	3,582	34,268	(16,918)	87,819
Borrowing From NBFC's <sup>1</sup>	984	(1,081)	56	72	(57)
Borrowing From NFPSE's	(1,348)	1,428	(1,614)	2,310	1,608
Borrowing from Insurance Companies	2,487	3,831	4,000	(27,390)	18
Others <sup>2</sup>	(242,330)	50,651	(36,899)	265,791	(135,000)
<b>Fund Utilization (B)</b>	<b>1,125,929</b>	<b>1,665,283</b>	<b>1,614,993</b>	<b>950,096</b>	<b>1,063,869</b>
Currency & Deposits	617,691	724,951	1,015,424	796,541	1,010,070
<i>Currency</i>	207,295	171,760	274,115	253,624	384,000
<i>Transferable deposits</i>	243,960	331,293	535,321	449,422	407,169
<i>Restricted deposits</i>	75,344	117,557	214,621	41,318	163,850
<i>Other deposits</i>	91,093	104,341	(8,633)	52,177	55,051
Debt Securities	336,308	171,803	151,506	409,523	751
Loans Extended	5,670	2,052	4,041	2,216	45,941
Shares Capital	30,000	22,966	1,901	11,647	25,163
Insurance & Technical Reserves	41,043	60,751	44,129	(290,113)	15,573
Other Accounts Receivable <sup>2</sup>	95,218	682,760	397,992	20,283	(33,629)
<b>Difference (B- A)<sup>3</sup></b>	<b>1,440,273</b>	<b>1,605,796</b>	<b>1,614,296</b>	<b>726,238</b>	<b>1,108,302</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

Meanwhile, the volume of loans increased from the previous year's of Rs. 2.2 billion to Rs. 45.9 billion, insurance & technical reserves increased from Rs. -290.1 billion to Rs. 15.6 billion and shares capital increased from Rs. 11.6 billion to Rs. 25.2 billion in FY15. Whereas, other account receivable decreased from Rs. 20.3 billion in 2013-14 to Rs. -33.6 billion in 2014-15 and debt securities (Rs. 409.5 billion - Rs. 0.8 billion) decreased from previous year.

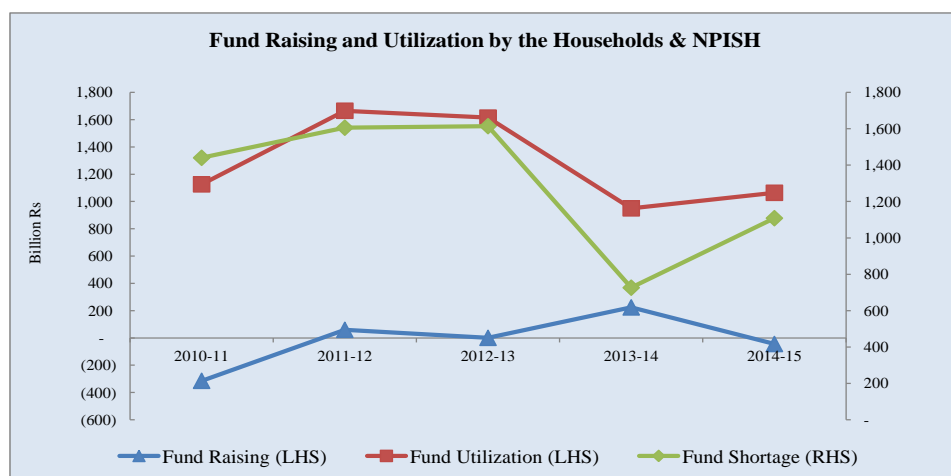


Figure 2.6: Fund Raising & Utilization by Households & NPISH

Reflecting on this fund-raising and utilization conjecture, households & NPISH funds surplus increased by Rs. 382.1 billion from previous year's of Rs. 726.2 billion to Rs. 1,108.3 billion .

### 2.2.3 General Government Sector

During the year 2014-15, funds raised by the government sector decreased from Rs. 1,984.5 billion in the previous year to Rs. 1,364.2 billion as the issuance of debt securities (Rs. 1,657.8 billion - Rs. 819.3 billion) and other accounts payable (Rs. 173.1 billion - Rs. 112.4 billion) decreased, whereas borrowings from financial institutions (Rs. 168.8 billion - Rs. 291.6 billion) and deposits (Rs. -15.2 billion - Rs. 140.8 billion) increased .

Table 2.11: Fund Raising and Utilization by the General Government Sector

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Raising (A)</b>	<b>1,370,525</b>	<b>1,888,697</b>	<b>2,001,597</b>	<b>1,984,482</b>	<b>1,364,184</b>
Deposits	41,903	103,594	197,073	(15,247)	140,814
Debt Securities	1,334,130	1,487,190	1,685,578	1,657,817	819,332
Borrowings from Financial Inst.	(57,099)	179,177	37,592	168,792	291,604
Other Accounts Payable	51,591	118,735	81,354	173,121	112,434
<b>Fund Utilization (B)</b>	<b>258,817</b>	<b>158,089</b>	<b>301,071</b>	<b>936,031</b>	<b>74,158</b>
Currency & Deposits	200,018	(33,728)	20,181	537,493	20,018
<i>Currency</i>	85	-	-	-	-
<i>Transferable deposits</i>	192,967	(36,991)	32,126	507,551	(23,824)
<i>Restricted deposits</i>	2,609	(1,010)	15	29	1,378
<i>Other deposits</i>	4,356	4,273	(11,960)	29,913	42,464
Debt Securities	8,297	(2,637)	-	3,321	-
Loans Extended	56,270	73,943	58,952	14,122	18,109
Shares Capital	17,151	20,447	14,183	323,129	37,296
Other Accounts Receivable	(22,918)	100,064	207,756	57,966	(1,265)
<b>Difference (B- A)</b>	<b>(1,111,708)</b>	<b>(1,730,608)</b>	<b>(1,700,526)</b>	<b>(1,048,451)</b>	<b>(1,290,025)</b>

The amount of funds utilized by the government sector decreased from Rs. 936.0 billion of the previous year to Rs. 74.2 billion as currency & deposits (Rs. 537.5 billion - Rs. 20.0 billion), shares capital (Rs. 323.1 billion - Rs. 37.3 billion) and other account receivable (Rs. 58.0 billion - Rs. -1.3 billion) decreased sharply, which served to offset increases in loans extended (Rs. 14.1 billion - Rs. 18.1 billion). As a result, the government sector's fund deficit inflate from previous year's (Rs. -1,048.5 billion to Rs. -1,290.0 billion).

### 2.2.4 Rest of the World Sector

During the year 2014-15, the volume of the overseas sector's fund-raising grew from Rs. 307.1 billion in the previous year to Rs. 455.2 billion. Meanwhile, the scale of the overseas sector's funds utilization which was Rs. 438.2 billion in 2013-14, climbed to Rs. 690.8 billion in 2014-15. The overseas sector observed the scale of its fund shortages increased from the previous year's of Rs. 131.1 billion to Rs. 235.6 billion.



## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

Table 2.12: Fund Raising and Utilization by the Rest of the World Sector

	(During Period - Million Rs.)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Raising (A)</b>	<b>273,190</b>	<b>(387,460)</b>	<b>(382,997)</b>	<b>307,104</b>	<b>455,235</b>
SDR's	(14,621)	(14,594)	(9,737)	(5,675)	(3,841)
Foreign Exchange Holdings	191,128	(381,305)	(440,545)	311,452	465,663
Foreign Direct Investment	4,365	9,780	28,905	10,652	3,282
Others	92,318	(1,341)	38,380	(9,325)	(9,868)
<b>Fund Utilization (B)</b>	<b>305,254</b>	<b>11,870</b>	<b>(167,102)</b>	<b>438,191</b>	<b>690,816</b>
Foreign Exchange Holdings	7,634	6,207	(37,219)	(7,471)	107,302
Overseas Securities <sup>1</sup>	(1,711)	(4,662)	445	206,027	93,900
Loans	48,228	(48,110)	(245,145)	50,256	297,560
Shares Investment by Non-residents	171,007	67,540	153,344	247,008	186,434
Trade Credits	14,626	(2,052)	(2,804)	2,767	14,985
Others	65,470	(7,054)	(35,723)	(60,396)	(9,365)
<b>Difference (B- A)<sup>2</sup></b>	<b>32,064</b>	<b>399,331</b>	<b>215,895</b>	<b>131,087</b>	<b>235,581</b>

Notes:

1) Debt securities held by non-residents

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

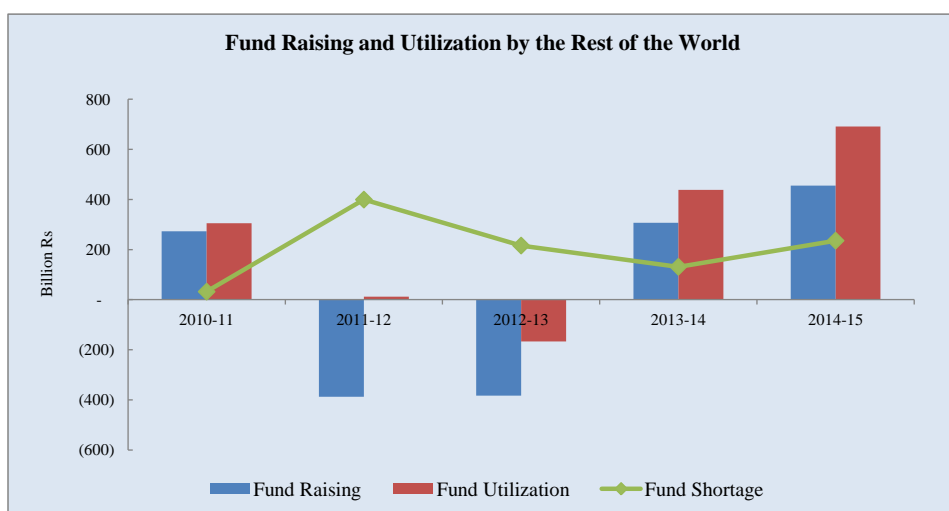


Figure 2.7: Fund Raising and Utilization of the Rest of the World Sector

## 2.2.5 Financial Corporation Sector

### 2.2.5.1 Fund-Raising

During the year 2014-15, the volume of fund-raising by the financial corporations' sector increased to Rs. 2,291.0 billion from the previous year's Rs. 1,805.1 billion. Looking at the pattern of fund-raising by financial institution type, fund-raising by insurance companies & pension funds (Rs. 125.6 billion to Rs. 15.4 billion), central bank (Rs. 691.9 billion to Rs. 549.1 billion) and fund raising by other financial corporations (Rs. 31.6 billion to Rs. 5.9 billion) declined from the preceding year. Whereas fund raising by deposit taking corporations (Rs. 982.5 billion to Rs. 1,727.7 billion) and that by financial auxiliaries (Rs. -26.5 billion to Rs. -7.2 billion) increased.

Table 2.13: Fund Raising by the Financial Corporations Sector

		(During Period - Million Rs.)				
		2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Raising</b>		<b>1,122,720</b>	<b>1,300,055</b>	<b>1,509,576</b>	<b>1,805,110</b>	<b>2,290,966</b>
By Financial Inst. Type	Central Bank	369,595	145,503	162,543	691,948	549,127
	Deposit Taking Corp.	673,471	931,848	1,249,793	982,456	1,727,695
	Financial Auxiliaries	(4,045)	10,474	31,236	(26,549)	(7,155)
	Other Financial Corporations	14,537	135,569	(5,348)	31,608	5,852
	Insurance Com. & Pension Funds	69,162	76,661	71,353	125,647	15,447
By Financial Instrument	Currency & Deposits	1,159,776	839,893	1,092,336	1,679,391	1,319,212
	Debt Securities	4,273	10,379	(5,320)	(6,492)	(17,889)
	Borrowings from DTC's.	(23,246)	(56,058)	266,722	(123,761)	531,589
	Borrowings from Overseas	(12,837)	40,696	897	47,463	17,787
	Shares Capital	17,984	201,943	(11,931)	17,808	(31,546)
	Insurance & Technical Reserves	52,818	72,335	55,087	123,555	16,922
	Financial Derivative	(14,253)	(8,384)	69,711	(12,684)	33,526
	Other Accounts Payable	(61,796)	199,251	42,075	79,829	421,363

Viewing at the pattern by financial instrument, the scale of fund-raising through debt securities (Rs. -6.5 billion to Rs. -17.9 billion), shares capital (Rs. 17.8 billion to Rs. -31.5 billion), borrowing from overseas (Rs. 47.5 billion to Rs. 17.8 billion) and currency & deposits (Rs. 1,679.4 billion to Rs. 1,319.2 billion) decreased from the previous year. Whereas fund-raising through borrowings from domestic financial institutions (Rs. -123.8 billion to Rs. 531.6 billion), financial derivative (Rs. -12.7 billion to Rs. 33.5 billion) and other account payable (Rs. 79.8 billion to Rs. 421.4 billion) increased.

### 2.2.5.2 Fund Utilization

During 2014-15, the financial corporation sector's funds utilization increased from the Rs. 1,930.8 billion of the previous year to Rs. 2,300.4 billion. Viewing the scale of the financial corporation sector's funds utilization by type of financial institution, that of deposit taking corporations and financial auxiliaries increased by Rs. 852.3 billion and Rs. 19.5 billion respectively. On the other hand central bank decreased sharply by Rs. 409.2 billion, other financial corporations decreased by Rs. -2.6 billion and insurance companies & pension funds was decreased by Rs. 90.5 billion.

Table 2.14: Fund Utilization by the Financial Corporations Sector

		(During Period - Million Rs.)				
		2010-11	2011-12	2012-13	2013-14	2014-15
<b>Fund Utilization</b>		<b>1,292,603</b>	<b>1,281,161</b>	<b>1,583,262</b>	<b>1,930,845</b>	<b>2,300,380</b>
By Financial Inst. Type	Central Bank	348,655	49,225	162,224	776,743	367,571
	Deposit taking Corporations.	827,264	984,724	1,270,408	1,022,828	1,875,134
	Financial Auxiliaries	(1,499)	10,606	30,780	(26,776)	(7,274)
	Other Financial Corporations	50,387	149,398	43,453	27,532	24,964
	Insurance Com & Pension Funds	67,797	87,209	76,397	130,517	39,985
By Financial Instrument	Monetary Gold & SDR's	(14,169)	(14,957)	(9,388)	(5,362)	(27,431)
	Currency & Deposits	252,650	(311,724)	(306,883)	552,929	306,122
	Debt Securities	1,048,354	1,124,713	1,435,019	877,530	882,683
	Loans Extended	(31,194)	202,856	318,179	308,796	1,093,788
	Shares Capital	26,549	161,745	(60,593)	110,062	(76,923)
	Insurance & Technical Reserves	(0)	2	(3)	2	43,838
	Financial Derivative	(16,373)	(10,188)	(7,161)	(21,285)	(26,225)
Other Accounts Receivable	26,786	128,714	214,093	108,172	104,529	

## 2.2. FINANCIAL TRANSACTIONS CHARACTERISTICS BY SECTOR

Viewing the pattern by type of financial instrument, the financial corporation sector's holdings of debt securities, loans extended and insurance & technical reserves increased when compare to previous year. On the other hand, the financial corporation sector's holdings of share capital, financial derivative, monetary gold & SDR's and currency & deposits decreased in 2014-15.

### 2.2.5.3 Funds Supply to Non-Financial Sectors

During the year 2014-15, 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. 1,466.3 billion to Rs. 1,146.9 billion. This was mainly attributable to decrease in purchase of securities from other financial corporations.

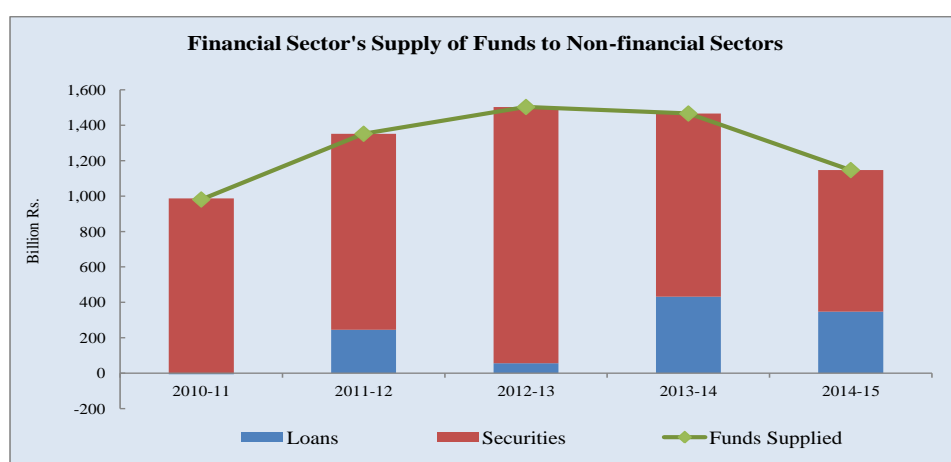


Figure 2.8: Financial Sector's Supply of Funds to Non-Financial Sector

Table 2.15: Volume of Funds Supplied to Non-Financial Sectors by the Financial Sectors

		(During Period - Million Rs.)				
		2010-11	2011-12	2012-13	2013-14	2014-15
	<b>Funds Supplied<sup>1</sup></b>	<b>980,657</b>	<b>1,351,801</b>	<b>1,503,167</b>	<b>1,466,257</b>	<b>1,146,880</b>
By Sectors	Non-Financial Corporations	152,387	(4,602)	1,111	467,834	227,526
	Households	896,154	1,347,902	1,461,314	1,040,866	827,299
	Government Sector	(67,884)	8,502	40,741	(42,443)	92,055
By Financial Instrument	<b>Loans</b>	<b>(5,917)</b>	<b>244,804</b>	<b>55,714</b>	<b>431,510</b>	<b>347,855</b>
	<b>Percent</b>	<b>(0.60)</b>	<b>18.11</b>	<b>3.71</b>	<b>29.43</b>	<b>30.33</b>
By Instrument	Depository Corporations.	89,916	224,601	65,288	468,753	348,495
	Other Financial Corporations.	(95,833)	20,203	(9,574)	(37,243)	(640)
	<b>Securities</b>	<b>986,574</b>	<b>1,106,997</b>	<b>1,447,453</b>	<b>1,034,746</b>	<b>799,026</b>
	<b>Percent</b>	<b>100.60</b>	<b>81.89</b>	<b>96.29</b>	<b>70.57</b>	<b>69.67</b>
	Depository Corporations.	718,833	512,737	953,099	301,766	1,445,019
	Other Financial Corporations.	267,740	594,260	494,354	732,980	(645,994)

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 interrelationship 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 funds, non money market funds, pension funds, insurance corporations, SBP, ROW, NFPSE's sectors' 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. 499.8 billion and other resident sector which is residual sector shows discrepancy of Rs. -617.4 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.

Table 3.1: Integrated Capital &amp; Financial Accounts 2014-15

Transaction & Balancing Item	Financial Sectors							Million Rs
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
1 Saving less Inv. (2+5-7)	147,440	(118)	(1,262)	5,629	12,920	1,825	24,538	(181,556)
2 Saving, Gross	190,160	86	(1,490)	5,629	12,881	1,825	24,554	(180,912)
3 Consumption of fixed capital	-	101	35	-	7	-	(674)	-
4 Net Saving (2 less 3)	190,160	(15)	(1,526)	5,629	12,873	1,825	25,228	(180,912)
5 Capital transfers, net	-	-	-	-	-	-	-	-
6 Current external balance	-	-	-	-	-	-	-	-
7 Acq. less dis. of fixed assets	42,720	204	(228)	-	(39)	-	16	644

Continued on next page

CHAPTER 3. INTEGRATED CAPITAL AND FINANCIAL ACCOUNT OF PAKISTAN

Table 3.1 – Integrated Capital & Financial Accounts 2014-15 continued from previous page

		Million Rs							
Transaction & Balancing Item	Financial Sectors								
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP	
8	Gross fixed capital formation	32,378	196	(179)	-	(39)	-	(160)	797
9	Other non-financial assets	10,342	8	(49)	-	-	-	176	(153)
<b>10</b>	<b>Net lending/borrowing(11-29)</b>	<b>147,439</b>	<b>(119)</b>	<b>(1,262)</b>	<b>5,629</b>	<b>12,920</b>	<b>1,825</b>	<b>24,538</b>	<b>(181,556)</b>
<b>11</b>	<b>Net acquisition of fin. assets</b>	<b>1,875,134</b>	<b>(7,274)</b>	<b>12,639</b>	<b>(16,904)</b>	<b>38,055</b>	<b>(8,826)</b>	<b>39,985</b>	<b>367,571</b>
<b>12</b>	<b>Monetary gold and SDRs</b>	-	-	-	-	-	-	-	<b>(27,431)</b>
<b>13</b>	<b>Currency and deposits</b>	<b>(76,609)</b>	<b>(6,887)</b>	<b>14,807</b>	<b>(5,621)</b>	<b>393</b>	<b>157</b>	<b>12,275</b>	<b>367,607</b>
14	Currency	19,654	447	67	-	53	-	18	(6,163)
15	Transferable deposits	(101,343)	(7,663)	23,296	(5,813)	1,159	157	4,229	373,770
16	Other deposits	5,080	329	(8,557)	192	(819)	-	8,028	-
<b>17</b>	<b>Debt Securities</b>	<b>1,426,642</b>	<b>95</b>	<b>(2,335)</b>	<b>(16,570)</b>	<b>10,334</b>	<b>652</b>	<b>(18,722)</b>	<b>(517,415)</b>
18	Short-term	582,468	42	(4,990)	(14,724)	4,037	341	1,769	(517,427)
19	Long-term	844,175	53	2,655	(1,846)	6,296	312	(20,491)	13
<b>20</b>	<b>Loans</b>	<b>399,183</b>	<b>105</b>	<b>(6,736)</b>	<b>(2,361)</b>	<b>199</b>	-	<b>18</b>	<b>703,380</b>
21	Short-term	178,991	104	(6,076)	-	1,200	-	96	701,019
22	Long-term	220,192	1	(660)	(2,361)	(1,001)	-	(78)	2,360
<b>23</b>	<b>Shares Capital</b>	<b>33,671</b>	<b>(414)</b>	<b>7,442</b>	-	<b>19,996</b>	<b>2,417</b>	<b>5,682</b>	<b>(145,717)</b>
<b>24</b>	<b>Financial derivatives</b>	<b>(13,990)</b>	-	-	-	<b>(1)</b>	<b>(12,234)</b>	-	-
<b>25</b>	<b>Insurance technical reserves</b>	<b>22</b>	-	-	-	-	-	<b>43,817</b>	<b>(2)</b>
<b>26</b>	<b>Other accounts receivable</b>	<b>106,214</b>	<b>(172)</b>	<b>(539)</b>	<b>7,648</b>	<b>7,134</b>	<b>181</b>	<b>(3,086)</b>	<b>(12,852)</b>
27	Trade credits and advances	5	-	-	-	-	-	-	-
28	Other accounts receivable	106,209	(172)	(539)	7,648	7,134	181	(3,086)	(12,852)
<b>29</b>	<b>Net incurrence of liabilities</b>	<b>1,727,695</b>	<b>(7,155)</b>	<b>13,901</b>	<b>(22,533)</b>	<b>25,135</b>	<b>(10,650)</b>	<b>15,447</b>	<b>549,127</b>
<b>30</b>	<b>Monetary gold and SDRs</b>	-	-	-	-	-	-	-	-
<b>31</b>	<b>Currency and deposits</b>	<b>1,003,997</b>	<b>698</b>	<b>(16)</b>	-	-	-	<b>16</b>	<b>314,517</b>
32	Currency	-	-	-	-	-	-	-	398,131
33	Transferable deposits	966,711	-	-	-	-	-	-	(89,066)
34	Other deposits	37,285	698	(16)	-	-	-	16	5,453
<b>35</b>	<b>Debt Securities</b>	<b>(59)</b>	<b>1,919</b>	<b>(19,484)</b>	<b>(169)</b>	-	-	<b>(97)</b>	-
36	Short-term	(0)	439	(21,671)	(158)	-	-	(97)	-
37	Long-term	(59)	1,480	2,187	(11)	-	-	-	-
<b>38</b>	<b>Loans</b>	<b>579,276</b>	<b>(11,528)</b>	<b>2,259</b>	<b>(1)</b>	-	<b>(1)</b>	<b>(810)</b>	<b>(19,818)</b>
39	Short-term	660,068	(11,649)	1,041	(1)	-	(1)	(793)	(17,191)
40	Long-term	(80,791)	121	1,218	-	-	-	(17)	(2,628)
<b>41</b>	<b>Shares Capital</b>	<b>(16,329)</b>	<b>920</b>	<b>(14,362)</b>	<b>(17,392)</b>	<b>12,072</b>	<b>1,237</b>	<b>2,308</b>	-
<b>42</b>	<b>Financial derivatives</b>	<b>(15,271)</b>	-	-	-	<b>(10,931)</b>	<b>109</b>	-	<b>59,619</b>
<b>43</b>	<b>Insurance technical reserves</b>	-	-	-	-	-	-	<b>16,922</b>	-
<b>44</b>	<b>Other accounts payable</b>	<b>176,080</b>	<b>836</b>	<b>45,504</b>	<b>(4,971)</b>	<b>23,993</b>	<b>(11,995)</b>	<b>(2,892)</b>	<b>194,809</b>
45	Trade credits and advances	-	-	-	-	-	-	-	-
46	Other accounts payable	176,080	836	45,504	(4,971)	23,993	(11,995)	(2,892)	194,809
<b>47</b>	<b>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 Integrated Capital & Financial Accounts - 2014-15 continue....

		Million Rs.					
Transaction & Balancing Items	Non-Financial Sectors						
	NFC Pvt	NFC Pub	Govt.	HH	ROW	Total	
<b>1</b>	<b>Saving less Investment (2+5-7)</b>	<b>20,645</b>	<b>(63,396)</b>	<b>(790,225)</b>	<b>490,869</b>	<b>235,581</b>	<b>(97,111)</b>
<b>2</b>	<b>Saving, Gross</b>	<b>469,965</b>	<b>204,654</b>	<b>(46,900)</b>	<b>3,301,613</b>	<b>273,636</b>	<b>4,255,700</b>

Continued on next page

Table 3.1 - Integrated Capital &amp; Financial Accounts 2014-15 continued from previous page

Million Rs.

Transaction & Balancing Items	Non-Financial Sectors					Total
	NFC Pvt	NFC Pub	Govt.	HH	ROW	
3 Consumption of fixed capital	318,875	249,604	-	-	-	567,948
4 Net Saving (2 less 3)	151,090	(44,950)	(46,900)	3,301,613	273,636	3,687,751
<b>5 Capital transfers, net</b>	-	-	-	-	<b>(38,055)</b>	<b>(38,055)</b>
<b>6 Current external balance</b>	-	-	-	-	<b>273,636</b>	<b>273,636</b>
<b>7 Acq. less disposals of Fixed Assets</b>	<b>449,320</b>	<b>268,050</b>	<b>743,325</b>	<b>2,810,744</b>	-	<b>4,314,755</b>
8 Gross fixed capital formation	386,947	106,421	743,325	2,546,136	-	3,815,822
9 Other non-financial assets	62,373	161,629	-	264,608	-	498,934
<b>10 Net lending/net borrowing(11-29)</b>	<b>20,644</b>	<b>(63,396)</b>	<b>(1,290,025)</b>	<b>1,108,302</b>	<b>235,581</b>	<b>20,522</b>
<b>11 Net acq. of financial assets</b>	<b>440,281</b>	<b>205,299</b>	<b>74,158</b>	<b>1,063,869</b>	<b>690,816</b>	<b>4,774,804</b>
<b>12 Monetary gold and SDRs</b>	-	-	-	-	-	<b>(27,431)</b>
<b>13 Currency and deposits</b>	<b>376,539</b>	<b>24,106</b>	<b>20,018</b>	<b>1,010,070</b>	<b>107,302</b>	<b>1,844,157</b>
14 Currency	(3,276)	(404)	-	384,000	-	394,397
15 Transferable deposits	385,496	10,199	(23,824)	407,169	-	1,066,831
16 Other deposits	(5,681)	14,311	43,843	218,901	107,302	382,929
<b>17 Debt Securities</b>	<b>(74,390)</b>	<b>(1,834)</b>	-	<b>751</b>	<b>93,900</b>	<b>901,110</b>
18 Short-term	(75,117)	(13,500)	-	81,652	-	44,550
19 Long-term	728	11,666	-	(80,901)	93,900	856,560
<b>20 Loans</b>	<b>2,765</b>	<b>2,209</b>	<b>18,109</b>	<b>45,941</b>	<b>297,560</b>	<b>1,460,372</b>
21 Short-term	2,204	1,602	-	7,671	-	886,811
22 Long-term	560	607	18,109	38,270	297,560	573,560
<b>23 Shares Capital</b>	<b>78,456</b>	<b>399</b>	<b>37,296</b>	<b>25,163</b>	<b>186,434</b>	<b>250,826</b>
<b>24 Financial derivatives</b>	-	-	-	-	-	<b>(26,225)</b>
<b>25 Insurance technical reserves</b>	<b>1,795</b>	<b>54</b>	-	<b>15,573</b>	-	<b>61,260</b>
<b>26 Other accounts receivable</b>	<b>55,115</b>	<b>180,365</b>	<b>(1,265)</b>	<b>(33,629)</b>	<b>5,620</b>	<b>310,735</b>
27 Trade credits and advances	(1,012)	86,398	-	-	14,985	100,376
28 Other accounts receivable	56,127	93,967	(1,265)	(33,629)	(9,365)	210,359
<b>29 Net incurrence of liabilities</b>	<b>419,636</b>	<b>268,695</b>	<b>1,364,184</b>	<b>(44,433)</b>	<b>455,235</b>	<b>4,754,282</b>
<b>30 Monetary gold and SDRs</b>	-	-	-	-	<b>(3,841)</b>	<b>(3,841)</b>
<b>31 Currency and deposits</b>	<b>21,346</b>	<b>70,508</b>	<b>140,814</b>	-	<b>465,663</b>	<b>2,017,543</b>
32 Currency	-	-	-	-	12,046	410,177
33 Transferable deposits	-	-	-	-	453,617	1,331,262
34 Other deposits	21,346	70,508	140,814	-	-	276,104
<b>35 Debt Securities</b>	<b>17,647</b>	<b>(1,181)</b>	<b>819,332</b>	-	-	<b>817,909</b>
36 Short-term	5,726	1,960	(24,056)	-	-	(37,857)
37 Long-term	11,922	(3,140)	843,387	-	-	855,766
<b>38 Loans</b>	<b>131,314</b>	<b>137,845</b>	<b>291,604</b>	<b>90,567</b>	<b>(3,345)</b>	<b>1,197,362</b>
39 Short-term	28,983	26,167	38,683	29,548	-	754,854
40 Long-term	102,332	111,679	252,921	61,019	(3,345)	442,508
<b>41 Shares Capital</b>	<b>278,123</b>	<b>34,046</b>	-	-	<b>3,282</b>	<b>283,906</b>
<b>42 Financial derivatives</b>	-	-	-	-	-	<b>33,526</b>
<b>43 Insurance technical reserves</b>	-	-	-	-	-	<b>16,922</b>
<b>44 Other accounts payable</b>	<b>(28,795)</b>	<b>27,476</b>	<b>112,434</b>	<b>(135,000)</b>	<b>(6,523)</b>	<b>390,956</b>
45 Trade credits and advances	(98,401)	67,398	-	(135,000)	10,709	(155,294)
46 Other accounts payable	69,606	(39,922)	112,434	-	(17,232)	546,250
<b>47 Statistical Discrepancy (1-10)</b>	<b>0</b>	<b>0</b>	<b>499,800<sup>1</sup></b>	<b>(617,433)</b>	<b>0</b>	<b>(117,632)</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

This 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. It is also equal in magnitude, but opposite in sign, to the current account balance of the BOP. 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 saving investment gap, is thus equal to the difference between an economy's saving plus net capital transfers and capital formation.

### 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 receivable 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 transfer 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 2014-15 shows gross savings related to all sectors of the domestic economy and Rest of the World. The saving of Rs. 3,301.6 billion is related to other resident sector including household & NPISH's. While the savings investment gap is filled by rest of the world sector, estimated as current account deficit of Rs. 273.6 billion, as reported in BOP.

The general government sector comprising of Federal, Provincial Governments and NPI's, showing a composite saving of Rs. -46.9 billion and gross capital formation of Rs. 743.3 billion compared to Rs. 187.9 billion and Rs. 638.8 billion in FY14, with net deficit of Rs. 499.8 billion (Rs. 597.6 billion in FY14). 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. 470.0 billion while the gross capital formation amounted to Rs. 386.9 billion resulting in a surplus of Rs. 20.6 billion. The other resident sector shows a surplus/lending of Rs. 490.9 billion and recorded a statistical discrepancy of Rs. 617.4 billion compared to surplus of Rs. 144.0 billion and Rs. 582.3 billion in FY14.

CHAPTER 4. CAPITAL ACCOUNT

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 corporations remained net borrower. The overall economy is deficit in FY15, with inflow (borrowing) of Rs. 235.6 billion from rest of the world sector compared to inflow of Rs. 323.1 billion in FY14 leaving Rs 117.6 billion statistical discrepancy in FY15.

Table 4.1: Capital Account of Pakistan 2014-15

Transaction and Balancing Items	Financial Sectors							
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
<b>01 Saving, Gross ( 2 plus 3)</b>	<b>190,160</b>	<b>86</b>	<b>(1,490)</b>	<b>5,629</b>	<b>12,881</b>	<b>1,825</b>	<b>24,554</b>	<b>(180,912)</b>
02 Retain earning	68,030	105	(3,649)	4,974	8,146	1,825	20,874	0
03 General & Special Reserve	122,130	(19)	2,158	655	4,735	-	3,680	(180,912)
<b>04 Consumption of fixed capital</b>	<b>-</b>	<b>101</b>	<b>35</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>(674)</b>	<b>-</b>
<b>05 Net Saving (1 less 4)</b>	<b>190,160</b>	<b>(15)</b>	<b>(1,526)</b>	<b>5,629</b>	<b>12,873</b>	<b>1,825</b>	<b>25,228</b>	<b>(180,912)</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>42,720</b>	<b>204</b>	<b>(228)</b>	<b>-</b>	<b>(39)</b>	<b>-</b>	<b>16</b>	<b>644</b>
<b>08 Gross fixed capital formation</b>	<b>32,378</b>	<b>196</b>	<b>(179)</b>	<b>-</b>	<b>(39)</b>	<b>-</b>	<b>(160)</b>	<b>797</b>
<b>09 Acq less disp of tangible fixed assets</b>	<b>32,378</b>	<b>196</b>	<b>(179)</b>	<b>-</b>	<b>(39)</b>	<b>-</b>	<b>(160)</b>	<b>797</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>32,378</b>	<b>196</b>	<b>192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>695</b>	<b>1,704</b>
12 Dwelling, Buildings & Structure	16,592	0	-	-	-	-	144	359
13 Machinery	14,095	192	192	-	-	-	428	1,340
14 Weapons System	-	-	-	-	-	-	-	-
15 Cultivated Biological Resources	-	-	-	-	-	-	-	-
16 Intellectual property products	1,691	4	-	-	-	-	123	5
<b>17 Disp of existing tangible fixed assets</b>	<b>-</b>	<b>-</b>	<b>371</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>855</b>	<b>907</b>
18 Dwelling, Buildings & Structure	-	-	210	-	16	-	52	7
19 Machinery	-	-	109	-	20	-	718	898
20 Weapons System	-	-	-	-	-	-	-	-
21 Cultivated Biological Resources	-	-	-	-	-	-	-	-
22 Intellectual property products	-	-	52	-	3	-	85	2
<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>(37)</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>

Continued on next page

## 4.9. CAPITAL ACCOUNT OF PAKISTAN

Table 4.1 – Capital Account of Pakistan 2014-15 continued from previous page

		Million Rs.						
Transaction and Balancing Items	Financial Sectors							
	DTC	Fa	OFI	MMF	NMMF	PF	IC	SBP
<b>31 Acq less disposals of valuables</b>	-	-	-	-	-	-	-	(161)
<b>32 Acq less disp of non-produces NFA</b>	<b>10,379</b>	<b>8</b>	<b>1</b>	-	-	-	<b>176</b>	<b>0</b>
33 Acq less disp of land and tangible NPA	10,379	-	-	-	-	-	176	0
34 Acq less disp of intangible NPA	-	8	1	-	-	-	-	-
<b>35 Capital transfers, receivable</b>	-	-	-	-	-	-	-	-
36 Capital taxes	-	-	-	-	-	-	-	-
37 Investment grants	-	-	-	-	-	-	-	-
38 Other capital transfers	-	-	-	-	-	-	-	-
<b>39 Capital transfers, payable</b>	-	-	-	-	-	-	-	-
40 Capital taxes	-	-	-	-	-	-	-	-
41 Investment grants	-	-	-	-	-	-	-	-
42 Other capital transfers	-	-	-	-	-	-	-	-
<b>43 Net Surplus/Deficit (5+35-39-7)</b>	<b>147,440</b>	<b>(118)</b>	<b>(1,262)</b>	<b>5,629</b>	<b>12,920</b>	<b>1,825</b>	<b>24,538</b>	<b>(181,556)</b>
<b>44 Changes in net worth</b>	<b>190,160</b>	<b>(15)</b>	<b>(1,526)</b>	<b>5,629</b>	<b>12,873</b>	<b>1,825</b>	<b>25,228</b>	<b>(180,912)</b>
<b>45 FOF Net lending/borrowing</b>	<b>147,439</b>	<b>(119)</b>	<b>(1,262)</b>	<b>5,629</b>	<b>12,920</b>	<b>1,825</b>	<b>24,538</b>	<b>(181,556)</b>
<b>46 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 Capital Account of Pakistan 2014-15 continue...

		Million Rupees				
Transaction and Balancing Items	Non-Financial Sectors					
	NFC Pvt	NFC Pub	Govt.	HH	ROW	Total
<b>01 Saving, Gross ( 2 plus 3)</b>	<b>469,965</b>	<b>204,654</b>	<b>(46,900)</b>	<b>3,301,613</b>	<b>273,636</b>	<b>4,255,700</b>
02 Retain earning	283,425	72,465	-	-	-	456,196
03 General & Special Reserve	186,539	132,189	(46,900)	3,301,613	273,636	3,799,504
<b>04 Consumption of fixed capital</b>	<b>318,875</b>	<b>249,604</b>	-	-	-	<b>567,948</b>
<b>05 Net Saving (1 less 4)</b>	<b>151,090</b>	<b>(44,950)</b>	<b>(46,900)</b>	<b>3,301,613</b>	<b>273,636</b>	<b>3,687,751</b>
<b>06 Current external balance</b>	-	-	-	-	<b>273,636</b>	<b>273,636</b>
<b>07 Acq. less disp of Fixed Assets</b>	<b>449,320</b>	<b>268,050</b>	<b>743,325</b>	<b>2,810,744</b>	-	<b>4,314,755</b>
<b>08 Gross fixed capital formation</b>	<b>386,947</b>	<b>106,421</b>	<b>743,325</b>	<b>2,546,136</b>	-	<b>3,815,822</b>
<b>09 Acq less disp of tangible fixed assets</b>	<b>386,947</b>	<b>106,421</b>	<b>743,325</b>	<b>2,546,136</b>	-	-
<b>10 Acq of new tangible fixed assets</b>	-	-	-	-	-	-
<b>11 Acq of existing tangible fixed assets</b>	<b>418,528</b>	<b>111,384</b>	<b>743,325</b>	<b>2,546,136</b>	-	<b>3,854,538</b>
12 Dwelling, Buildings & Structure	62,889	4,144	-	-	-	-
13 Machinery	326,822	89,472	-	-	-	-
14 Weapons System	-	-	-	-	-	-
15 Cultivated Biological Resources	1,016	-	-	-	-	-
16 Intellectual property products	27,801	17,768	-	-	-	-
<b>17 Disp of existing tangible fixed assets</b>	<b>31,581</b>	<b>4,963</b>	-	-	-	<b>38,716</b>
18 Dwelling, Buildings & Structure	1,833	168	-	-	-	-
19 Machinery	28,944	3,206	-	-	-	-
20 Weapons System	-	-	-	-	-	-
21 Cultivated Biological Resources	494	-	-	-	-	-
22 Intellectual property products	310	1,589	-	-	-	-
<b>23 Acq less disp of intangible fixed assets</b>	-	-	-	-	-	-

Continued on next page

## CHAPTER 4. CAPITAL ACCOUNT

Table 4.1 - Capital Account of Pakistan 2014-15 continued from previous page

		Million Rupees				
Transaction and Balancing Items	Non-Financial Sectors					Total
	NFC Pvt	NFC Pub	Govt.	HH	ROW	
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>31,442</b>	<b>143,930</b>	-	<b>264,608</b>	<b>439,900</b>
<b>31</b>	<b>Acq less disposals of valuables</b>	-	-	-	-	(161)
<b>32</b>	<b>Acq less disp of non-produced NFA</b>	<b>30,931</b>	<b>17,699</b>	-	-	59,194
33	Acq less disp of land and tangible NPA	19,864	18,765	-	-	49,184
34	Acq less disp of intangible NPA	11,068	(1,066)	-	-	10,011
<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>	-	-	-	-	<b>38,055</b>
40	Capital taxes	-	-	-	-	-
41	Investment grants	-	-	-	-	-
42	Other capital transfers	-	-	-	-	38,055
<b>43</b>	<b>Net Surplus/Deficit (5+35-39-7)</b>	<b>20,645</b>	<b>(63,396)</b>	<b>(790,225)</b>	<b>490,869</b>	<b>235,581</b>
<b>44</b>	<b>Changes in net worth</b>	<b>151,090</b>	<b>(44,950)</b>	<b>(46,900)</b>	<b>3,301,613</b>	<b>235,581</b>
<b>45</b>	<b>FOF Net lending/borrowing</b>	<b>20,644</b>	<b>(63,396)</b>	<b>(1,290,025)</b>	<b>1,108,302</b>	<b>235,581</b>
<b>46</b>	<b>Statistical Discrepancy</b>	<b>0</b>	<b>0</b>	<b>(499,800)</b> <sup>1</sup>	<b>617,433</b>	<b>(0)</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:** These consist of all financial claims, shares or other equity in corporations plus gold bullion held by monetary authorities as a reserve assets.

**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 2014-15 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. 147.4 billion (Rs. 40.4 billion in FY14), as it incurred net liability of Rs. 1,727.7 billion mainly through deposits of Rs. 1,004.0 billion and acquired net financial assets of Rs. 1,875.1 billion mainly through debt securities of Rs. 1,426.6 billion. The central bank

incurred net financial liability of Rs. 549.1 billion and acquired net financial assets of Rs. 367.6 billion and have deficit of Rs. 181.6 billion (Rs. 84.8 billion deficit in FY14). The non financial private sector showed net lending of Rs. 20.6 billion (net borrowing of Rs. 27.5 billion in FY14), by incurrence of net financial liability of Rs. 419.6 billion. It placed Rs. 376.6 billion as deposits in financial institutions and Rs. 78.5 billion of share capital during 2014-15. In FY15 federal government remained deficit and the largest net borrower in the economy of Rs. 1,288.4 billion (Rs. 1,227.4 billion in FY14) and incurred net liability of Rs. 1,283.9 billion mainly by issuing long term securities net of Rs. 819.3 billion and acquired net financial assets of Rs. -4.5 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. 1,108.3 billion (Rs. 726.2 billion in FY14). This is the residual sector and having cross sector data including leftover. It maintained currency & deposits of Rs. 1,010.1 billion and having loan & advances of Rs. 45.9 billion. Rest of the World sector shows surplus/net lender to the domestic economy by Rs. 235.6 billion (Rs. 323.1 billion surplus in FY14) as it reduced net liability of Rs. 107.3 billion through transferable deposits of SBP. This sector invested Rs. 186.4 billion in shares & equity of the domestic economy.

Table 5.1: Financial Account of Pakistan 2014-15

		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>147,439</b>	<b>(119)</b>	<b>(1,262)</b>	<b>5,629</b>	<b>12,920</b>	<b>1,825</b>	<b>24,538</b>	<b>(181,556)</b>	
<b>2 Net acq of financial assets</b>	<b>1,875,134</b>	<b>(7,274)</b>	<b>12,639</b>	<b>(16,904)</b>	<b>38,055</b>	<b>(8,826)</b>	<b>39,985</b>	<b>367,571</b>	
<b>3 Monetary gold and SDRs</b>	-	-	-	-	-	-	-	<b>(27,431)</b>	
<b>4 Currency and deposits</b>	<b>(76,609)</b>	<b>(6,887)</b>	<b>14,807</b>	<b>(5,621)</b>	<b>393</b>	<b>157</b>	<b>12,275</b>	<b>367,607</b>	
5 Currency	19,654	447	67	-	53	-	18	(6,163)	
6 Interbank Position	-	-	-	-	-	-	-	-	
7 Transferable deposits	(101,343)	(7,663)	23,296	(5,813)	1,159	157	4,229	373,770	
8 Other deposits	5,080	329	(8,557)	192	(819)	-	8,028	-	
<b>9 Debt Securities</b>	<b>1,426,642</b>	<b>95</b>	<b>(2,335)</b>	<b>(16,570)</b>	<b>10,334</b>	<b>652</b>	<b>(18,722)</b>	<b>(517,415)</b>	
10 Short-term	582,468	42	(4,990)	(14,724)	4,037	341	1,769	(517,427)	
11 Long-term	844,175	53	2,655	(1,846)	6,296	312	(20,491)	13	
<b>12 Loans</b>	<b>399,183</b>	<b>105</b>	<b>(6,736)</b>	<b>(2,361)</b>	<b>199</b>	-	<b>18</b>	<b>703,380</b>	
13 Short-term	178,991	104	(6,076)	-	1,200	-	96	701,019	
14 Long-term	220,192	1	(660)	(2,361)	(1,001)	-	(78)	2,360	
<b>15 Shares Capital</b>	<b>33,671</b>	<b>(414)</b>	<b>7,442</b>	-	<b>19,996</b>	<b>2,417</b>	<b>5,682</b>	<b>(145,717)</b>	
<b>16 Financial derivatives</b>	<b>(13,990)</b>	-	-	-	<b>(1)</b>	<b>(12,234)</b>	-	-	
<b>17 Insurance technical reserves</b>	<b>22</b>	-	-	-	-	-	<b>43,817</b>	<b>(2)</b>	
<b>18 Other accounts receivable</b>	<b>106,214</b>	<b>(172)</b>	<b>(539)</b>	<b>7,648</b>	<b>7,134</b>	<b>181</b>	<b>(3,086)</b>	<b>(12,852)</b>	
19 Trade credits and advances	5	-	-	-	-	-	-	-	
20 Other accounts receivable	106,209	(172)	(539)	7,648	7,134	181	(3,086)	(12,852)	
<b>21 Net incurrence of liabilities</b>	<b>1,727,695</b>	<b>(7,155)</b>	<b>13,901</b>	<b>(22,533)</b>	<b>25,135</b>	<b>(10,650)</b>	<b>15,447</b>	<b>549,127</b>	
<b>22 Monetary gold and SDRs</b>	-	-	-	-	-	-	-	-	
<b>23 Currency and deposits</b>	<b>1,003,997</b>	<b>698</b>	<b>(16)</b>	-	-	-	<b>16</b>	<b>314,517</b>	
24 Currency	-	-	-	-	-	-	-	398,131	
25 Interbank Position	-	-	-	-	-	-	-	-	
26 Transferable deposits	966,711	-	-	-	-	-	-	(89,066)	
27 Other deposits	37,285	698	(16)	-	-	-	16	5,453	
<b>28 Debt Securities</b>	<b>(59)</b>	<b>1,919</b>	<b>(19,484)</b>	<b>(169)</b>	-	-	<b>(97)</b>	-	
29 Short-term	(0)	439	(21,671)	(158)	-	-	(97)	-	
30 Long-term	(59)	1,480	2,187	(11)	-	-	-	-	
<b>31 Loans</b>	<b>579,276</b>	<b>(11,528)</b>	<b>2,259</b>	<b>(1)</b>	-	<b>(1)</b>	<b>(810)</b>	<b>(19,818)</b>	
32 Short-term	660,068	(11,649)	1,041	(1)	-	(1)	(793)	(17,191)	
33 Long-term	(80,791)	121	1,218	-	-	-	(17)	(2,628)	
<b>34 Shares Capital</b>	<b>(16,329)</b>	<b>920</b>	<b>(14,362)</b>	<b>(17,392)</b>	<b>12,072</b>	<b>1,237</b>	<b>2,308</b>	-	

Continued on next page

Table 5.1 – Financial Account of Pakistan 2014-15 continued from previous page

Million Rupees

Transaction and Balancing Items	Financial Sectors							SBP
	DTC	Fa	OFI	MMF	NMMF	PF	IC	
35 Financial derivatives	(15,271)	-	-	-	(10,931)	109	-	59,619
36 Insurance technical reserves	-	-	-	-	-	-	16,922	-
37 Other accounts payable	176,080	836	45,504	(4,971)	23,993	(11,995)	(2,892)	194,809
38 Trade credits and advances	-	-	-	-	-	-	-	-
39 Other accounts payable	176,080	836	45,504	(4,971)	23,993	(11,995)	(2,892)	194,809

Table 5.1 Financial Account of Pakistan - 2014-15 continue...

Million Rupees

Transaction and Balancing Items	Non-Financial Sectors						Total
	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW	
1 Net lending/borrowing (2-20)	20,644	(63,396)	(1,634)	(1,288,391)	1,108,302	235,581	20,522
2 Net acq of financial assets	440,281	205,299	78,656	(4,498)	1,063,869	690,816	4,774,804
3 Monetary gold and SDRs	-	-	-	-	-	-	(27,431)
4 Currency and deposits	376,539	24,106	79,253	(59,235)	1,010,070	107,302	1,844,157
5 Currency	(3,276)	(404)	-	-	384,000	-	394,397
6 Interbank Position	-	-	-	-	-	-	-
7 Transferable deposits	385,496	10,199	66,435	(90,259)	407,169	-	1,066,831
8 Other deposits	(5,681)	14,311	12,818	31,024	218,901	107,302	382,929
9 Debt Securities	(74,390)	(1,834)	-	-	751	93,900	901,110
10 Short-term	(75,117)	(13,500)	-	-	81,652	-	44,550
11 Long-term	728	11,666	-	-	(80,901)	93,900	856,560
12 Loans	2,765	2,209	(599)	18,708	45,941	297,560	1,460,372
13 Short-term	2,204	1,602	-	-	7,671	-	886,811
14 Long-term	560	607	(599)	18,708	38,270	297,560	573,560
15 Shares Capital	78,456	399	2	37,294	25,163	186,434	250,826
16 Financial derivatives	-	-	-	-	-	-	(26,225)
17 Insurance technical reserves	1,795	54	-	-	15,573	-	61,260
18 Other accounts receivable	55,115	180,365	-	(1,265)	(33,629)	5,620	310,735
19 Trade credits and advances	(1,012)	86,398	-	-	-	14,985	100,376
20 Other accounts receivable	56,127	93,967	-	(1,265)	(33,629)	(9,365)	210,359
21 Net incurrence of liabilities	419,636	268,695	80,290	1,283,893	(44,433)	455,235	4,754,282
22 Monetary gold and SDRs	-	-	-	-	-	(3,841)	(3,841)
23 Currency and deposits	21,346	70,508	287	140,527	-	465,663	2,017,543
24 Currency	-	-	-	-	-	12,046	410,177
25 Interbank Position	-	-	-	-	-	-	-
26 Transferable deposits	-	-	-	-	-	453,617	1,331,262
27 Other deposits	21,346	70,508	287	140,527	-	-	276,104
28 Debt Securities	17,647	(1,181)	-	819,332	-	-	817,909
29 Short-term	5,726	1,960	-	(24,056)	-	-	(37,857)
30 Long-term	11,922	(3,140)	-	843,387	-	-	855,766
31 Loans	131,314	137,845	80,003	211,601	90,567	(3,345)	1,197,362
32 Short-term	28,983	26,167	69,367	(30,684)	29,548	-	754,854
33 Long-term	102,332	111,679	10,636	242,284	61,019	(3,345)	442,508
34 Shares Capital	278,123	34,046	-	-	-	3,282	283,906
35 Financial derivatives	-	-	-	-	-	-	33,526
36 Insurance technical reserves	-	-	-	-	-	-	16,922
37 Other accounts payable	(28,795)	27,476	-	112,434	(135,000)	(6,523)	390,956
38 Trade credits and advances	(98,401)	67,398	-	-	(135,000)	10,709	(155,294)
39 Other accounts payable	69,606	(39,922)	-	112,434	-	(17,232)	546,250





## APPENDICES

Table A.1: Main Indices of Flow of Funds as on 2014-15

		(Million Rs.)				
		2010-11	2011-12	2012-13	2013-14	2014-15
All Sectors	<b>Financial Assets</b>	<b>32,377,054</b>	<b>35,356,400</b>	<b>40,354,265</b>	<b>44,820,934</b>	<b>48,569,564</b>
	<i>Changes</i>	3,664,151	2,979,346	4,997,865	4,466,669	3,748,631
	<i>Growth (%)</i>	12.8	9.2	14.1	11.1	8.4
	<b>Financial Liabilities</b>	<b>46,384,196</b>	<b>51,349,170</b>	<b>57,146,745</b>	<b>63,236,819</b>	<b>69,170,853</b>
	<i>Changes</i>	5,561,785	4,964,974	5,797,575	6,090,073	5,934,035
	<i>Growth (%)</i>	13.6	10.7	11.3	10.7	9.4
Households	<b>Financial Assets (A)</b>	<b>7,859,794</b>	<b>8,966,918</b>	<b>10,806,146</b>	<b>10,914,945</b>	<b>12,052,389</b>
	<i>Changes</i>	837,454	1,107,124	1,839,228	108,799	1,137,444
	<i>Growth (%)</i>	11.9	14.1	20.5	1.0	10.4
	<b>Financial Liabilities (B)</b>	<b>1,327,094</b>	<b>1,033,875</b>	<b>1,058,423</b>	<b>1,651,678</b>	<b>1,703,443</b>
	<i>Changes</i>	386,552	(293,219)	24,548	593,255	51,765
	<i>Growth (%)</i>	41.1	(22.1)	2.4	56.1	3.1
	<b>Net Financial Assets (A-B)</b>	<b>6,532,700</b>	<b>7,933,043</b>	<b>9,747,723</b>	<b>9,263,267</b>	<b>10,348,945</b>
	<i>Changes</i>	450,902	1,400,343	1,814,680	(484,456)	1,085,678
	<i>Growth (%)</i>	7.4	21.4	22.9	(5.0)	11.7
	<b>Financial Ratio (A/B)</b>	<b>5.92</b>	<b>8.67</b>	<b>10.21</b>	<b>6.61</b>	<b>7.08</b>
Non-Financial Corp's	<b>Financial Assets (A)</b>	<b>7,057,683</b>	<b>7,621,690</b>	<b>8,540,905</b>	<b>10,516,315</b>	<b>10,374,738</b>
	<i>Changes</i>	796,174	564,007	919,215	1,975,410	(141,577)
	<i>Growth (%)</i>	12.7	8.0	12.1	23.1	(1.3)
	<b>Financial Liabilities (B)</b>	<b>14,309,165</b>	<b>15,341,373</b>	<b>16,462,625</b>	<b>17,849,037</b>	<b>19,063,673</b>
	<i>Changes</i>	1,002,049	1,032,208	1,121,252	1,386,412	1,214,635
	<i>Growth (%)</i>	7.5	7.2	7.3	8.4	6.8
	<b>Net Financial Assets (A-B)</b>	<b>(7,251,482)</b>	<b>(7,719,683)</b>	<b>(7,921,721)</b>	<b>(7,332,722)</b>	<b>(8,688,935)</b>
	<i>Changes</i>	(205,875)	(468,201)	(202,038)	588,998	(1,356,213)
	<i>Growth (%)</i>	2.9	6.5	2.6	(7.4)	18.5
	<b>Funds Supplied</b>	<b>980,657</b>	<b>1,351,801</b>	<b>1,503,167</b>	<b>1,466,257</b>	<b>1,146,880</b>
<i>Growth (%)</i>	35.1	37.8	11.2	(2.5)	(21.8)	
Non-Fin. Corporate Sector	152,387	(4,602)	1,111	467,834	227,526	
Households	896,154	1,347,902	1,461,314	1,040,866	827,299	
Government Sector	(67,884)	8,502	40,741	(42,443)	92,055	

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.

Table A.2: Sectoral Positions 2014-15

Million Rupees							
Items	DTC	Fa	OFI	MMF	NMF	PF	IC
<b>Assets</b>	<b>13,906,438</b>	<b>48,685</b>	<b>216,358</b>	<b>103,531</b>	<b>367,900</b>	<b>32,766</b>	<b>894,997</b>
<b>Monetary Gold and SDRs</b>	-	-	-	-	-	-	-
<b>1. Currency and deposits</b>	<b>910,084</b>	<b>31,962</b>	<b>103,730</b>	<b>3,047</b>	<b>65,650</b>	<b>840</b>	<b>45,454</b>
<b>a. Currency</b>	<b>187,469</b>	<b>4,681</b>	<b>361</b>	-	<b>58</b>	-	<b>140</b>
<b>b. Transferable deposits</b>	<b>628,204</b>	<b>25,870</b>	<b>90,999</b>	<b>1,963</b>	<b>61,689</b>	<b>748</b>	<b>30,125</b>
i. In national currency	421,097	24,743	89,547	1,963	61,442	748	30,016
ii. In foreign currency	207,107	1,127	1,452	-	248	-	109
<b>c. Other deposits</b>	<b>94,412</b>	<b>1,411</b>	<b>12,369</b>	<b>1,084</b>	<b>3,903</b>	<b>92</b>	<b>15,189</b>
i. In national currency	9,737	1,342	12,366	1,084	3,903	92	15,011
ii. In foreign currency	84,674	69	3	-	-	-	178
<b>2. Securities other than share</b>	<b>5,947,132</b>	<b>1,090</b>	<b>12,095</b>	<b>41,650</b>	<b>78,858</b>	<b>2,916</b>	<b>505,080</b>
a. Short Term	2,240,896	555	3,862	40,290	25,507	1,255	3,736
b. Long Term	3,706,235	535	8,233	1,360	53,351	1,661	501,344
<b>3. Loans</b>	<b>5,230,265</b>	<b>131</b>	<b>14,763</b>	<b>12,738</b>	<b>8,668</b>	<b>(466)</b>	<b>956</b>
a. Short Term	3,414,488	119	10,618	(302)	8,630	(466)	502
b. Long Term	1,815,778	12	4,145	13,039	39	-	454
<b>4. Shares &amp; Other Equity</b>	<b>446,809</b>	<b>5,098</b>	<b>73,747</b>	-	<b>197,256</b>	<b>6,473</b>	<b>107,262</b>
<b>5. Insurance technical reserves</b>	<b>29</b>	-	-	-	-	-	<b>43,948</b>
<b>6. Financial derivatives</b>	<b>5,732</b>	<b>16</b>	-	-	<b>(1)</b>	<b>21,899</b>	-
<b>7. Other accounts receivable</b>	<b>923,109</b>	<b>9,054</b>	<b>5,895</b>	<b>46,097</b>	<b>17,360</b>	<b>1,105</b>	<b>171,537</b>
a. Trade credit and advances	38	-	-	-	-	-	-
b. Other	923,072	9,054	5,895	46,097	17,360	1,105	171,537
<b>8. Fixed Assets</b>	<b>443,278</b>	<b>1,335</b>	<b>6,128</b>	-	<b>109</b>	-	<b>20,761</b>
<b>Liabilities</b>	<b>13,906,438</b>	<b>48,685</b>	<b>216,358</b>	<b>103,531</b>	<b>367,900</b>	<b>32,766</b>	<b>894,997</b>
<b>1. Currency and deposits</b>	<b>9,703,273</b>	<b>1,599</b>	<b>209</b>	-	-	-	<b>4,260</b>
<b>a. Currency</b>	-	-	-	-	-	-	-
<b>b. Transferable deposits</b>	<b>7,274,722</b>	-	-	-	-	-	-
i. In national currency	6,775,525	-	-	-	-	-	-
ii. In foreign currency	499,197	-	-	-	-	-	-
<b>c. Other deposits</b>	<b>2,428,550</b>	<b>1,599</b>	<b>209</b>	-	-	-	<b>4,260</b>
i. In national currency	2,255,142	1,598	209	-	-	-	4,260
ii. In foreign currency	173,409	1	-	-	-	-	-
<b>2. Securities other than share</b>	<b>42,480</b>	<b>4,097</b>	<b>28,020</b>	<b>35</b>	-	<b>46</b>	<b>290</b>
a. Short Term	10	2,363	12,925	-	-	-	290
b. Long Term	42,471	1,734	15,095	35	-	46	-
<b>3. Loans</b>	<b>1,417,159</b>	<b>23,830</b>	<b>29,448</b>	<b>7</b>	-	<b>562</b>	<b>349</b>
a. Short Term	1,327,410	21,301	19,325	7	-	562	321
b. Long Term	89,749	2,530	10,123	-	-	-	28
<b>4. Shares &amp; Other Equity</b>	<b>577,675</b>	<b>14,964</b>	<b>75,497</b>	<b>61,446</b>	<b>229,798</b>	<b>5,290</b>	<b>36,812</b>

Continued on next page

Table A.2 – Sectoral Positions 2014-15 continued from previous page

Million Rupees							
Items	DTC	Fa	OFI	MMF	NMF	PF	IC
<b>5. Insurance technical reserves</b>	-	-	-	-	-	-	<b>732,415</b>
<b>6. Financial derivatives</b>	<b>4,772</b>	<b>18</b>	-	-	<b>2,103</b>	<b>229</b>	-
<b>7. Other accounts payable</b>	<b>1,231,451</b>	<b>3,101</b>	<b>62,999</b>	<b>23,280</b>	<b>41,955</b>	<b>22,218</b>	<b>20,001</b>
a. Trade credit and advances	-	-	-	-	-	-	-
b. Other	1,231,451	3,101	62,999	23,280	41,955	22,218	20,001
<b>8. Reserve</b>	<b>593,577</b>	<b>981</b>	<b>18,055</b>	<b>19,748</b>	<b>86,511</b>	<b>4,314</b>	<b>98,514</b>
<b>9. Valuation</b>	<b>336,051</b>	<b>95</b>	<b>2,130</b>	<b>(985)</b>	<b>7,534</b>	<b>106</b>	<b>2,357</b>
<b>10. SDR allocations</b>	-	-	-	-	-	-	-

Table A.2 Sectoral Positions 2014-15 continue...

Million Rupees							
Items	SBP	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW
<b>Assets</b>	<b>5,390,384</b>	<b>15,351,147</b>	<b>8,940,710</b>	<b>653,284</b>	<b>2,390,804</b>	<b>12,052,389</b>	<b>10,328,419</b>
<b>Monetary Gold and SDRs</b>	<b>319,386</b>						
<b>1. Currency and deposits</b>	<b>1,143,768</b>	<b>3,343,015</b>	<b>786,826</b>	<b>606,439</b>	<b>831,871</b>	<b>8,691,260</b>	<b>270,513</b>
<b>a. Currency</b>	<b>1,640</b>	<b>12,447</b>	<b>7,824</b>	-	-	<b>2,707,258</b>	
<b>b. Transferable deposits</b>	<b>1,142,128</b>	<b>2,323,254</b>	<b>231,463</b>	<b>454,444</b>	<b>675,116</b>	<b>3,677,235</b>	
i. In national currency	-	2,218,473	217,958	452,993	659,446	3,342,705	
ii. In foreign currency	1,142,128	104,781	13,504	1,451	15,670	334,531	
<b>c. Other deposits</b>	-	<b>1,007,314</b>	<b>547,540</b>	<b>151,995</b>	<b>156,755</b>	<b>2,306,766</b>	
i. In national currency	-	987,821	529,957	151,431	147,897	2,186,327	
ii. In foreign currency	-	19,493	17,583	564	8,858	120,439	
<b>2. Securities other than share</b>	<b>2,619,255</b>	<b>153,561</b>	<b>249,980</b>	-	-	<b>2,663,515</b>	<b>270,877</b>
a. Short Term	2,619,078	114,874	2,312	-	-	560,966	
b. Long Term	177	38,687	247,668	-	-	2,102,549	
<b>3. Loans</b>	<b>1,019,818</b>	<b>42,081</b>	<b>31,352</b>	<b>11,610</b>	<b>177,475</b>	<b>180,232</b>	<b>5,124,584</b>
a. Short Term	969,904	20,655	16,319	-	-	13,084	
b. Long Term	49,913	21,427	15,033	11,610	177,475	167,148	
<b>4. Shares &amp; Other Equity</b>	<b>89,809</b>	<b>680,230</b>	<b>35,004</b>	<b>35,236</b>	<b>523,875</b>	<b>374,124</b>	<b>3,713,590</b>
<b>5. Insurance technical reserves</b>	<b>(0)</b>	<b>571,703</b>	<b>185</b>	-	-	<b>141,710</b>	
<b>6. Financial derivatives</b>	-	-	-	-	-	-	<b>385</b>
<b>7. Other accounts receivable</b>	<b>168,424</b>	<b>1,781,838</b>	<b>2,698,962</b>	-	<b>857,582</b>	<b>1,549</b>	<b>948,471</b>
a. Trade credit and advances	-	1,129,377	1,657,364	-	-	-	73,160
b. Other	168,424	652,460	1,041,598	-	857,582	1,549	875,311
<b>8. Fixed Assets</b>	<b>29,925</b>	<b>8,778,718</b>	<b>5,138,401</b>	-	-	-	
<b>Liabilities</b>	<b>5,390,384</b>	<b>15,351,146</b>	<b>8,940,710</b>	<b>364,455</b>	<b>18,448,082</b>	<b>1,703,443</b>	<b>2,638,826</b>
<b>1. Currency and deposits</b>	<b>4,211,481</b>	<b>277,683</b>	<b>553,121</b>	<b>953</b>	<b>1,142,359</b>	-	<b>165,447</b>
<b>a. Currency</b>	<b>2,707,258</b>						
<b>b. Transferable deposits</b>	<b>1,370,830</b>	-	-	-	-	-	
i. In national currency	1,218,356	-	-	-	-	-	

Continued on next page

Table A.2 – Sectoral Positions 2014-15 continued from previous page

Items	Million Rupees						
	SBP	NFC Pvt	NFC Pub	Pro Govt.	Fed Govt.	HH	ROW
ii. In foreign currency	152,475	-	-	-	-	-	-
<b>c. Other deposits</b>	<b>133,392</b>	<b>277,683</b>	<b>553,121</b>	<b>953</b>	<b>1,142,359</b>	-	-
i. In national currency	122,615	277,683	553,121	953	1,142,359	-	-
ii. In foreign currency	10,777	-	-	-	-	-	-
<b>2. Securities other than share</b>	-	<b>254,300</b>	<b>36,616</b>	<b>0</b>	<b>11,976,547</b>	-	<b>18,829</b>
a. Short Term	-	29,932	3,881	0	5,078,987	-	-
b. Long Term	-	224,369	32,735	-	6,897,559	-	-
<b>3. Loans</b>	<b>0</b>	<b>3,260,433</b>	<b>1,130,185</b>	<b>363,502</b>	<b>4,429,877</b>	<b>808,805</b>	<b>12,918</b>
a. Short Term	-	1,911,502	306,698	345,926	215,684	326,884	-
b. Long Term	0	1,348,932	823,486	17,576	4,214,192	481,921	-
<b>4. Shares &amp; Other Equity</b>	<b>100</b>	<b>4,011,652</b>	<b>618,392</b>	-	-	-	<b>222,621</b>
<b>5. Insurance technical reserves</b>	-	-	-	-	-	-	-
<b>6. Financial derivatives</b>	<b>164,868</b>	-	-	-	-	-	<b>1,906</b>
<b>7. Other accounts payable</b>	<b>343,399</b>	<b>5,094,587</b>	<b>3,826,704</b>	-	<b>899,299</b>	<b>894,639</b>	<b>586,181</b>
a. Trade credit and advances	-	1,084,235	1,436,951	-	-	534,746	470,204
b. Other	343,399	4,010,352	2,389,753	-	899,299	359,893	115,977
<b>8. Reserve</b>	<b>175,951</b>	<b>2,301,870</b>	<b>1,862,669</b>	-	-	-	<b>1,630,922</b>
<b>9. Valuation</b>	<b>353,340</b>	<b>150,621</b>	<b>913,025</b>	-	-	-	-
<b>10. SDR allocations</b>	<b>141,246</b>	-	-	-	-	-	-





Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 - 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			
5) Central Bank	-	196	-	270	-	-	221	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	(46,034)	(79)	-	-	(25)	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	15,257	36	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	12,702	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	34,725	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	33,296	-	2	-	-	-	-	-	-	-	-	-	16	-	2,231	-	-
11) Nonresidents	377	-	-	-	-	-	-	-	-	-	-	-	-	-	2,082	-	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	<b>(23,511)</b>	<b>3,992</b>	<b>(0)</b>	<b>50</b>	<b>(1,338)</b>	<b>(1,338)</b>	<b>(1,338)</b>	<b>(16,570)</b>	<b>(14,724)</b>	<b>(10,334)</b>	<b>652</b>	<b>(18,722)</b>	<b>(771)</b>	<b>(771)</b>	<b>755</b>	<b>(771)</b>	<b>(771)</b>
1) Dep. taking Corp.	(110)	(141)	(0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2) Other Deposit Inst.	1,903	(0)	(0)	-	-	-	-	-	-	-	-	-	-	-	50	-	-
3) Other fin. Corp.	(1,338)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	(771)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	(7,657)	-	50	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	2,114	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	(16,454)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	(3,700)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	(9,939)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	4,668	11,790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	541
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	164
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Debt Securities</b>	<b>(59)</b>	<b>1,426,642</b>	<b>1,919</b>	<b>95</b>	<b>(19,484)</b>	<b>(2,335)</b>	<b>(169)</b>	<b>(16,570)</b>	<b>(14,724)</b>	<b>10,334</b>	<b>652</b>	<b>(18,722)</b>	<b>(97)</b>	<b>(97)</b>	<b>(517,415)</b>	<b>(517,427)</b>	<b>(517,427)</b>
<b>a. Short Term</b>	<b>(0)</b>	<b>582,468</b>	<b>439</b>	<b>42</b>	<b>(21,671)</b>	<b>(4,990)</b>	<b>(158)</b>	<b>(14,724)</b>	<b>(490)</b>	<b>4,037</b>	<b>341</b>	<b>1,769</b>	<b>(97)</b>	<b>(97)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
1) Dep. taking Corp.	-	1,632	439	156	(20,968)	-	(68)	(490)	(90)	4,396	341	1,769	(97)	(97)	(0)	(0)	(0)
2) Other deposit Inst.	-	439	-	-	(158)	-	(158)	(272)	(48)	-	-	-	-	-	-	-	-
3) Other fin. Corp.	-	(20,968)	-	(158)	-	219	-	(272)	-	-	-	-	-	-	-	-	-
4) Insurance Companies	(0)	(97)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	-	3,528	-	0	(566)	(77)	-	(48)	-	(250)	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	1,961	-	(1)	-	-	-	-	-	(273)	-	-	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	595,973	-	44	-	(5,132)	-	(13,914)	-	370	-	-	-	-	-	-	(610,942)
10) Other Resident Sector	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93,515
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Long Term</b>	<b>(59)</b>	<b>844,175</b>	<b>1,480</b>	<b>53</b>	<b>2,187</b>	<b>2,655</b>	<b>(11)</b>	<b>(1,846)</b>	<b>(11)</b>	<b>6,296</b>	<b>312</b>	<b>(20,491)</b>	<b>(0)</b>	<b>(0)</b>	<b>13</b>	<b>(13)</b>	<b>13</b>
1) Dep. taking Corp.	438	2,046	1,480	66	2,165	337	(1,524)	(1,846)	(1,524)	7	(347)	(347)	(347)	(347)	(347)	(347)	(347)

Continued on next page

Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 - continued from previous page

Million Rupees

Types of claim	Financial Sectors															
	DTC		Fa		OFI		MMF		NMMF		PF		IC		SBP	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
2) Other Deposit Inst.	437	1,480	-	-	-	-	(11)	-	1,092	-	-	-	-	-	-	-
3) Other fin. Corp.	337	2,165	-	-	-	-	-	-	16	-	(0)	-	-	-	-	-
4) Insurance Companies	(347)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	(530)	12,759	(11)	(11)	22	(11)	-	(970)	-	(3)	360	-	-	-	-	-
7) Non-Financial Pub Corp.	(68)	(2,761)	0	(50)	-	(50)	-	(1,084)	-	(0)	(7)	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	833,528	(2)	2,380	-	2,380	-	(3,137)	8,766	308	(25,693)	-	-	-	13	-
10) Other Resident Sector	(326)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	(0)	(5,043)	-	-	-	-	-	-	-	-	-	-	-	-	5,196	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>4. Loans</b>																
<b>a. Short Term</b>	<b>579,276</b>	<b>399,183</b>	<b>105</b>	<b>(6,736)</b>	<b>2,259</b>	<b>(1)</b>	<b>(1)</b>	<b>(2,361)</b>	<b>199</b>	<b>(1)</b>	<b>18</b>	<b>(810)</b>	<b>(19,818)</b>	<b>703,380</b>		
1) Dep. taking Corp.	660,068	178,991	104	(6,076)	1,041	(1)	(1)	(6,076)	1,200	(1)	96	(793)	(17,191)	701,019		
2) Other Deposit Inst.	(53,525)	88,191	103	(6,415)	738	(1)	(1)	(6,415)	437	(1)	-	(814)	-	704,095		
3) Other fin. Corp.	(186)	(10,851)	-	(6)	864	(6)	-	(6)	66	(1)	-	-	-	(534)		
4) Insurance Companies	(6,415)	4,750	-	-	864	-	-	-	786	-	-	-	-	(429)		
5) Central Bank	(16,193)	(814)	-	-	(429)	-	-	-	-	-	-	-	-	-		
6) Non-Financial Pvt Corp.	682,689	28,778	(1)	440	-	-	-	-	9	-	-	20	-	-		
7) Non-Financial Pub Corp.	-	25,151	-	(4)	-	-	-	-	(98)	-	-	-	-	-		
8) Provincial Govt	-	71,480	-	-	-	-	-	-	-	-	-	-	-	-		
9) Federal Govt	-	(30,652)	-	(31)	-	-	-	-	(0)	-	-	-	-	-		
10) Other Resident Sector	-	32,360	3	(60)	(132)	(60)	-	-	-	-	96	-	(17,191)	-		
11) Nonresidents	37,504	(13,209)	-	-	-	-	-	-	-	-	-	-	-	-		
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>b. Long Term</b>	<b>(80,791)</b>	<b>220,192</b>	<b>1</b>	<b>(660)</b>	<b>1,218</b>	<b>(1)</b>	<b>(1,001)</b>	<b>(2,361)</b>	<b>(1,001)</b>	<b>(17)</b>	<b>(78)</b>	<b>(2,628)</b>	<b>(2,628)</b>	<b>2,360</b>		
1) Dep. taking Corp.	4,932	6	-	(288)	1,249	(288)	-	(2,750)	(1,016)	(18)	-	-	-	1,061		
2) Other Deposit Inst.	3,397	(101)	-	-	-	-	-	-	-	-	-	-	-	121		
3) Other fin. Corp.	(288)	1,317	-	13	(12)	13	(1)	-	-	-	-	-	-	-		
4) Insurance Companies	-	(18)	-	-	(20)	-	-	-	-	-	-	-	-	-		
5) Central Bank	(91,070)	-	121	(484)	-	-	-	-	-	-	-	-	-	-		
6) Non-Financial Pvt Corp.	-	106,155	-	111	-	-	-	-	-	-	-	-	-	-		
7) Non-Financial Pub Corp.	-	52,708	-	389	-	-	-	-	16	-	-	-	-	-		
8) Provincial Govt	2,000	10,636	-	-	-	-	-	-	-	-	-	-	-	-		
9) Federal Govt	136	(6,691)	-	-	-	-	-	-	-	-	-	-	-	-		
10) Other Resident Sector	-	58,567	1	(12)	-	-	-	-	-	-	-	-	-	-		
11) Nonresidents	101	(2,387)	-	-	-	-	-	-	-	-	(78)	-	(2,628)	1,179		
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

Continued on next page

Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 - 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			
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>5. Equity &amp; Shares</b>	<b>(16,329)</b>	<b>33,671</b>	<b>920</b>	<b>(414)</b>	<b>(14,362)</b>	<b>7,442</b>	<b>(17,392)</b>	<b>12,072</b>	<b>19,996</b>	<b>1,237</b>	<b>2,417</b>	<b>2,308</b>	<b>5,682</b>	<b>2,308</b>	<b>5,682</b>	<b>-</b>	<b>(145,717)</b>
1) Dep. taking Corp.	(4,112)	16,479	(112)	(414)	(18,147)	240	(4,691)	(3,078)	(2,740)	21	131	1,880	222	1,880	222	-	(145,717)
2) Other Deposit Inst.	(414)	(140)	-	-	-	-	(4,691)	3,352	(6)	-	-	-	-	-	-	-	-
3) Other fin. Corp.	240	(17,919)	-	-	(2,261)	(857)	(6,694)	759	(182)	83	-	(358)	2,230	(358)	2,230	-	-
4) Insurance Companies	222	1,880	-	-	1,972	(358)	(6,020)	2,944	(106)	-	17	56	(513)	56	(513)	-	-
5) Central Bank	(1,153)	-	-	-	-	-	-	(3,495)	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	4,379	29,087	21	-	1,562	7,991	6,960	798	11,866	(878)	693	3	3,596	3	3,596	-	-
7) Non-Financial Pub Corp.	(2,707)	(3,473)	-	-	1,599	426	(2,646)	(2,615)	11,415	(144)	1,576	-	148	-	148	-	-
8) Provincial Govt	2	-	-	-	-	-	-	-	-	349	-	-	-	-	-	-	-
9) Federal Govt	340	-	-	-	(43)	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	1,728	-	1,011	-	421	-	(3,205)	13,734	-	1,806	-	732	-	732	-	-	-
11) Nonresidents	(14,854)	7,756	-	-	535	-	(1,095)	(327)	(251)	-	-	(5)	-	(5)	-	-	-
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>7. Insurance, pension &amp; guarantee schemes</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,922</b>	<b>43,817</b>	<b>16,922</b>	<b>43,817</b>	<b>-</b>	<b>(2)</b>
<b>a. Life insurance reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,573</b>	<b>-</b>	<b>15,573</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>b. Prepayments of premiums</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,349</b>	<b>43,817</b>	<b>1,349</b>	<b>43,817</b>	<b>-</b>	<b>(2)</b>
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	-	18	-	18	-	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	-	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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>(15,271)</b>	<b>(13,990)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,931)</b>	<b>(1)</b>	<b>109</b>	<b>(12,234)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,619</b>	<b>-</b>	<b>-</b>
1) Dep. taking Corp.	(7,609)	(11,454)	-	-	-	-	-	(10,935)	-	-	(12,234)	-	-	-	-	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	4	(1)	-	(12,183)	-	-	-	-	-	-
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	(1,840)	(632)	-	-	-	-	-	-	-	-	(51)	-	-	-	-	-	-
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Continued on next page

Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 - continued from previous page

Million Rupees

Types of claim	Financial Sectors															
	DTC		Fa		OFI		MMF		NMMF		PF		IC		SBP	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	(5,798)	(1,933)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	(23)	28	-	-	-	-	-	-	-	-	-	-	-	-	59,619	-
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 receivable/</b>	<b>176,080</b>	<b>106,214</b>	<b>836</b>	<b>(172)</b>	<b>45,504</b>	<b>(539)</b>	<b>(4,971)</b>	<b>7,648</b>	<b>23,993</b>	<b>7,134</b>	<b>(11,995)</b>	<b>181</b>	<b>(2,892)</b>	<b>(3,086)</b>	<b>194,809</b>	<b>(12,852)</b>
payable																
a. Trade credit and advances	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Other</b>	<b>176,080</b>	<b>106,209</b>	<b>836</b>	<b>(172)</b>	<b>45,504</b>	<b>(539)</b>	<b>(4,971)</b>	<b>7,648</b>	<b>23,993</b>	<b>7,134</b>	<b>(11,995)</b>	<b>181</b>	<b>(2,892)</b>	<b>(3,086)</b>	<b>194,809</b>	<b>(12,852)</b>
i. Resident sectors	177,332	105,831	919	(44)	45,514	(558)	(4,971)	7,647	23,982	7,219	(11,995)	181	(2,863)	(3,086)	194,212	(3,125)
ii. Nonresidents	(1,252)	378	(84)	(128)	(10)	19	-	1	11	(85)	-	-	(29)	-	597	(9,727)
<b>Total Assets/ Liabilities</b>	<b>1,727,695</b>	<b>1,875,134</b>	<b>(7,155)</b>	<b>(7,274)</b>	<b>13,901</b>	<b>12,639</b>	<b>(22,533)</b>	<b>(16,904)</b>	<b>25,135</b>	<b>38,055</b>	<b>(10,650)</b>	<b>(8,826)</b>	<b>15,447</b>	<b>39,985</b>	<b>549,127</b>	<b>367,571</b>
<b>Net Lending(+)/Net Borrowing(-)</b>	<b>147,439</b>		<b>(119)</b>		<b>(1,262)</b>		<b>5,629</b>		<b>12,920</b>		<b>1,825</b>		<b>24,538</b>		<b>(181,556)</b>	

Table A.3 Detailed Flow of Funds Accounts of Pakistan 2014-15 continue...

Million Rs.

Types of claim	NFC Pvt		NFC Pub		Pro Govt.		Non-Financial Sectors		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>	21,346	376,539	70,508	24,106	287	79,253	140,527	(59,235)	(3,841)	465,663	1,010,070	107,302	2,017,543	(3,841)
<b>a. Currency</b>	-	(3,276)	-	(404)	-	-	-	-	-	12,046	384,000	-	410,177	1,849,228
i. National	-	(3,280)	-	(404)	-	-	-	-	-	384,000	-	-	398,131	394,343
ii. Foreign	-	4	-	-	-	-	-	-	-	12,046	-	-	12,046	(7,775)
<b>b. Interbank Position</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>c. Transferable deposits</b>	-	385,496	-	10,199	-	66,435	-	(90,259)	-	453,617	407,169	-	1,331,262	1,071,329
<b>i. In national currency</b>	-	389,457	-	10,273	-	65,961	-	(90,589)	-	443,019	443,019	-	924,650	725,345
1) Dep. taking Corp.	-	389,457	-	10,273	-	56,907	-	57,747	-	443,019	-	-	(111,000)	977,778
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	32,057	6,490
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	4,303	4,303
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	9,054	-	(148,336)	-	-	-	-	-	(0)
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	389,457
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	10,273
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	65,961
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	(90,589)
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	442,848
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	174,850
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	-	(3,961)	-	(74)	-	474	-	329	-	453,617	(35,851)	-	406,612	345,983
1) Dep. taking Corp.	-	(3,961)	-	(74)	-	474	-	329	-	12,324	(35,851)	-	1,612	(39,731)
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	490
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	(73)
5) Central Bank	-	-	-	-	-	-	-	-	-	471,005	-	-	471,005	(1,914)
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,961)
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	(29,918)	-	-	(29,992)	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	474
9) Federal Govt	-	-	-	-	-	-	-	-	-	205	-	-	205	534
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	(35,851)
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	2,393
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>d. Other deposits</b>	21,346	(5,681)	70,508	14,311	287	12,818	140,527	31,024	-	218,901	218,901	107,302	276,104	383,557
<b>i. In national currency</b>	21,346	(8,591)	70,508	30,765	287	12,702	140,527	34,725	-	228,840	228,840	13,142	298,860	314,530
1) Dep. taking Corp.	-	(46,034)	-	15,257	-	12,702	-	34,725	-	33,296	-	-	(885)	64,692
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	2	-	-	5,958	698
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	(2,265)	1
4) Insurance Companies	-	-	-	-	-	-	-	-	-	16	-	-	8,747	16
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	687
6) Non-Financial Pvt Corp.	3,863	6,469	18,200	(518)	117	-	-	-	-	18,144	-	-	(23,879)	24,017
7) Non-Financial Pub Corp.	(518)	18,200	(331)	447	170	-	15,409	-	-	52,469	-	-	29,997	71,152
8) Provincial Govt	-	-	170	-	-	-	-	-	-	-	-	-	-	171
9) Federal Govt	(143)	12,656	-	15,409	-	-	-	-	-	124,913	-	-	12,872	34,581
10) Other Resident Sector	18,144	-	52,469	-	-	-	124,913	-	-	-	-	-	231,071	152,978
11) Nonresidents	-	117	-	-	-	-	205	-	-	-	-	-	-	117
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Continued on next page

Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 continued from previous page

Million Rs.

Types of claim	Non-Financial Sectors											
	NFC Pvt			NFC Pub			Prov Govt.			Fed Govt.		
	Sources	Uses	Total	Sources	Uses	Total	Sources	Uses	Total	Sources	Uses	Total
13) Non-Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-
<b>ii. In foreign currency</b>	-	-	-	-	-	-	-	-	-	-	-	-
1) Dep. taking Corp.	-	2,910	(16,454)	-	116	(3,700)	-	(9,939)	-	94,160	-	69,027
2) Other Deposit Inst.	-	2,114	(16,454)	-	116	(3,700)	-	(9,939)	-	36,876	-	6,764
3) Other fin. Corp.	-	921	-	-	-	-	-	-	-	-	-	(0)
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	921
5) Central Bank	-	-	-	-	-	-	-	-	-	57,284	-	49,677
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	0
7) Non-Financial Pub Corp.	-	2	-	-	-	-	-	-	-	-	-	2
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	116
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	(3,700)
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	(9,398)
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	4,832
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	11,790
13) Non-Money Mkt Fund	-	(127)	-	-	-	-	-	-	-	-	-	(127)
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. Debt Securities</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>a. Short Term</b>	17,647	(74,390)	(1,181)	-	-	-	819,332	751	-	93,900	-	818,077
1) Dep. taking Corp.	5,726	(75,117)	(1,960)	-	(1,834)	-	(24,056)	81,652	-	-	-	906,694
2) Other deposit Inst.	3,528	-	1,961	-	(13,500)	-	595,973	-	-	-	-	54,896
3) Other fin. Corp.	0	(566)	(1)	-	-	-	44	-	-	-	-	1,788
4) Insurance Companies	(77)	-	-	-	-	-	(5,132)	-	-	-	-	439
5) Central Bank	-	-	-	-	-	-	1,769	-	-	-	-	(97)
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	(610,942)	-	-	-	-	1,769
7) Non-Financial Pub Corp.	2,891	-	-	-	(56)	-	(84,212)	-	-	-	-	(610,942)
8) Provincial Govt	-	-	-	-	-	-	(2,720)	-	-	-	-	(81,887)
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	(2,720)
10) Other Resident Sector	(617)	(87,432)	-	-	(2,720)	-	92,179	81,652	-	-	-	(26,788)
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	91,582
12) Money Market Fund	-	5,641	-	-	(10,787)	-	(11,725)	-	-	-	-	93,515
13) Non-Money Mkt Fund	-	7,239	63	-	-	-	370	-	-	-	-	(5,146)
14) Pension Funds	-	-	-	-	-	-	341	-	-	-	-	7,302
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	341
<b>b. Long Term</b>	11,922	728	(3,140)	-	11,666	-	843,387	(80,901)	-	93,900	-	851,798
1) Dep. taking Corp.	12,759	(530)	(2,761)	-	(68)	-	833,528	(326)	-	-	-	1,178
2) Other Deposit Inst.	(11)	-	0	-	-	-	(2)	-	-	-	-	1,480
3) Other fin. Corp.	(11)	22	(50)	-	-	-	2,380	-	-	-	-	2,187
4) Insurance Companies	360	-	-	-	-	-	(25,693)	-	-	-	-	(25,680)
5) Central Bank	-	-	-	-	-	-	13	-	-	-	-	13
6) Non-Financial Pvt Corp.	(1,198)	14	(152)	-	22	-	10,344	-	-	-	-	8,639
7) Non-Financial Pub Corp.	22	-	-	-	-	-	10,895	-	-	-	-	10,697
8) Provincial Govt	-	14,104	-	-	168	-	-	-	-	-	-	168
9) Federal Govt	-	-	-	-	10,895	-	(80,575)	-	-	93,900	-	848,549
10) Other Resident Sector	-	-	-	-	-	-	92,498	-	-	-	-	(81,079)
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	92,498
12) Money Market Fund	-	(13,362)	-	-	3	-	-	-	-	-	-	153
13) Non-Money Mkt Fund	-	480	-	-	603	-	-	-	-	-	-	(13,359)
14) Pension Funds	-	-	-	-	43	-	-	-	-	-	-	1,083
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	43
<b>4. Loans</b>	131,314	2,765	137,845	-	2,209	-	211,601	48,941	-	297,560	-	1,197,365
<b>a. Short Term</b>	28,983	2,204	26,167	(599)	1,602	-	(30,684)	7,671	(3,345)	-	-	754,857
												885,612

Continued on next page

Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 continued from previous page

Million Rs.

Types of claim	NFC Pvt		NFC Pub		Prov Govt.		Non-Financial Sectors		HH		ROW		Total	
	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses	Sources	Uses
1) Dep. taking Corp.	28,778	-	25,151	-	71,480	-	(30,652)	-	29,232	-	-	-	59,293	785,974
2) Other Deposit Inst.	(1)	-	-	-	-	-	-	-	3	-	-	-	(184)	(11,385)
3) Other fin. Corp.	440	-	-	-	-	-	(31)	-	(60)	-	-	-	(5,203)	4,316
4) Insurance Companies	-	-	-	-	(2,113)	-	-	-	96	-	-	-	96	(814)
5) Central Bank	42	-	-	-	-	-	-	-	-	-	-	-	679,655	(16,193)
6) Non-Financial Pvt Corp.	(2,834)	345	1,023	127	-	-	-	-	-	-	-	-	(1,791)	37,359
7) Non-Financial Pub Corp.	127	1,023	(7)	1,217	-	-	-	-	258	-	-	-	379	27,387
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	69,367
9) Federal Govt	(1,699)	-	-	-	-	-	-	-	-	-	-	-	(1,699)	(30,684)
10) Other Resident Sector	7,671	837	-	258	-	-	-	-	-	-	-	-	7,539	33,493
11) Nonresidents	(2,330)	-	-	-	-	-	-	-	-	-	-	-	17,983	(13,209)
12) Money Market Fund	(1,210)	-	-	-	-	-	-	-	-	-	-	-	(1,210)	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>b. Long Term</b>	<b>102,332</b>	<b>560</b>	<b>111,679</b>	<b>607</b>	<b>10,636</b>	<b>607</b>	<b>242,284</b>	<b>18,708</b>	<b>61,019</b>	<b>38,270</b>	<b>(3,345)</b>	<b>297,560</b>	<b>442,508</b>	<b>576,922</b>
1) Dep. taking Corp.	106,155	-	52,708	-	10,636	-	(6,691)	136	58,567	-	-	-	227,539	915
2) Other Deposit Inst.	(484)	-	(50)	-	-	-	-	-	1	-	-	-	3,397	20
3) Other fin. Corp.	-	-	-	-	-	-	-	-	(78)	-	-	-	(833)	1,329
4) Insurance Companies	-	-	-	-	-	-	-	-	(3,345)	-	-	-	(3,443)	(18)
5) Central Bank	(1,046)	-	(3,843)	-	-	-	-	-	1,179	-	-	-	(94,659)	197,774
6) Non-Financial Pvt Corp.	2,619	(883)	1,042	(67)	-	-	-	-	-	(335)	-	-	3,662	62,216
7) Non-Financial Pub Corp.	(67)	1,042	(9,699)	(676)	-	-	-	-	1,350	38,605	-	-	(8,416)	109,764
8) Provincial Govt	-	-	(599)	-	-	-	-	18,572	-	-	-	-	1,401	10,636
9) Federal Govt	(4,213)	-	18,572	-	-	-	-	-	-	-	-	-	14,956	135,265
10) Other Resident Sector	(335)	401	38,605	1,350	-	-	-	-	-	-	-	-	38,270	61,408
11) Nonresidents	(296)	-	14,942	-	-	-	248,975	-	-	-	-	-	261,094	(2,387)
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>5. Equity &amp; Shares</b>	<b>278,123</b>	<b>78,456</b>	<b>34,046</b>	<b>399</b>	-	<b>399</b>	<b>37,294</b>	<b>25,163</b>	<b>61,019</b>	<b>38,270</b>	<b>3,282</b>	<b>186,434</b>	<b>287,989</b>	<b>228,412</b>
1) Dep. taking Corp.	29,087	4,379	(3,473)	(2,707)	-	-	340	1,728	-	-	-	-	5,123	(125,448)
2) Other Deposit Inst.	21	-	-	-	-	-	-	1,011	-	-	-	-	(414)	892
3) Other fin. Corp.	7,991	1,562	426	(1)	-	-	(43)	421	-	-	-	-	6,037	(14,608)
4) Insurance Companies	3,596	3	-	5	-	-	-	732	-	-	-	-	5,845	1,749
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	(1,155)	-
6) Non-Financial Pvt Corp.	3,859	80,247	-	2,671	-	-	-	-	-	-	-	-	13,105	331,297
7) Non-Financial Pub Corp.	2,671	-	86	525	-	-	-	36,997	-	-	-	-	1,650	34,623
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	2
9) Federal Govt	21,418	-	36,997	-	-	-	-	-	-	-	-	-	58,712	-
10) Other Resident Sector	21,271	-	-	-	-	-	-	-	-	-	-	-	25,163	-
11) Nonresidents	188,245	-	10	(108)	-	-	-	-	-	-	-	-	173,932	7,648
12) Money Market Fund	(262)	(15,725)	-	-	-	-	-	-	-	-	-	-	(262)	(15,725)
13) Non Money Mkt Fund	248	1,204	-	14	-	-	-	-	-	-	-	-	248	1,218
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	6,766	-	-	-	-	-	-	-	-	-	-	-	6,766
<b>7. Insurance, pension &amp; guarantee schemes</b>	<b>-</b>	<b>1,795</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>15,573</b>	<b>-</b>	<b>15,573</b>	<b>-</b>	<b>-</b>	<b>16,922</b>	<b>61,260</b>
<b>a. Life insurance reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,573</b>	<b>15,634</b>
<b>b. Prepayments of premiums</b>	<b>-</b>	<b>1,795</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,349</b>	<b>45,626</b>
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	18	-

Continued on next page



Table A.3 – Detailed Flow of Funds Accounts of Pakistan 2014-15 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		
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5) Central Bank	-	1,795	-	-	-	(7)	-	-	-	-	-	-	-	-	-	-	-	-	45,626	
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,795	
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9)	
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>8. Fin derivatives &amp; Employees Stock</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>44,348</b>	
<b>Fund</b>																				
1) Dep. taking Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,609)
2) Other Deposit Inst.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,454)
3) Other fin. Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4) Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5) Central Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(632)
6) Non-Financial Pvt Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Non-Financial Pub Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8) Provincial Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9) Federal Govt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10) Other Resident Sector	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11) Nonresidents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,933)
12) Money Market Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28
13) Non Money Mkt Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14) Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15) Captive fin. Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9. Employee Stock Option</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>10. Other accounts receivable/ payable</b>	<b>(28,795)</b>	<b>55,115</b>	<b>180,365</b>	<b>27,476</b>	<b>180,365</b>	<b>(1,265)</b>	<b>112,434</b>	<b>(1,265)</b>	<b>(135,000)</b>	<b>(6,523)</b>	<b>5,620</b>	<b>383,929</b>	<b>295,772</b>							
a. Trade credit and advances	(98,401)	(1,012)	86,398	67,398	86,398	-	-	-	(135,000)	10,709	14,985	(155,294)	100,376							
<b>b. Other</b>	<b>69,606</b>	<b>56,127</b>	<b>93,967</b>	<b>(39,922)</b>	<b>93,967</b>	<b>(1,265)</b>	<b>112,434</b>	<b>(1,265)</b>	<b>(17,232)</b>	<b>(17,232)</b>	<b>(9,365)</b>	<b>539,223</b>	<b>195,396</b>							
i. Resident sectors	85,821	56,531	93,976	(39,922)	93,976	(1,275)	112,434	(1,275)	-	(17,232)	(9,365)	556,214	205,257							
ii. Nonresidents	(16,215)	(403)	(9)	-	(9)	10	-	-	(44,433)	455,235	690,816	(16,991)	(9,860)							
<b>Total Assets/ Liabilities</b>	<b>419,636</b>	<b>440,281</b>	<b>205,299</b>	<b>268,695</b>	<b>205,299</b>	<b>(4,498)</b>	<b>1,283,893</b>	<b>(4,498)</b>	<b>(44,433)</b>	<b>455,235</b>	<b>690,816</b>	<b>4,754,282</b>	<b>4,774,804</b>							
<b>Net Lending(-)/Net Borrowing(+)</b>	<b>20,644</b>	<b>(63,396)</b>	<b>(1,634)</b>	<b>(1,288,391)</b>	<b>(1,634)</b>	<b>1,108,302</b>	<b>235,581</b>	<b>20,522</b>	<b>20,522</b>	<b>20,522</b>	<b>20,522</b>	<b>20,522</b>	<b>20,522</b>							



APPENDIX



## 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.
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 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.

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## **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.

### **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



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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.

### **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.

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## **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.

## **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 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).

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**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.

